CR 1-13(7)
April 20, 1999

13th Assembly
Legislative Assembly of the Northwest Territories

Report on the 1999/2002 Business Plans & 1999/2000 Main Estimates

1999

105-00355/

Northwest Territories Legislative Assembly

APR 20 1999

Honourable Sam Gargan
Speaker of the Legislative Assembly
BOX 1320
YELLOWKNIFE NT X1A 2L9

Dear Mr. Speaker:

The Standing Committee on Government Operations is pleased to present this Report on the Review of the 1999-2002 Business Plans and 1999-2000 Main Estimates and commend it to the House.

Sincerely,

Roy Erasmus, MLA
Chairperson

Report on the 1999/2002 Business Plans & 1999/2000 Main Estimates

Table of Contents

Introduction 1

General Overview 2

The Business Plans 2

Main Estimates 6

Issues of Government-wide Importance and Implications 7

Social Programs

General Comments 13

Northwest Territories Housing Corporation 14

Department of Justice 19

Department of Education, Culture and Employment 27

Department of Health and Social Services 34

Resource Management and Infrastructure

General Comments 41

Department of Executive 41

Financial Management Board Secretariat 44

Department of Finance 47

Department of Public Works and Services 49

Ministry of Aboriginal Affairs 51

Department of Municipal and Community Affairs 53

Department of Transportation 56

Department of Resources, Wildlife and Economic Development 58

Legislative Assembly

Legislative Assembly 63

Languages Commissioner 67

Report on the 1999/2002 Business Plans and the 1999/2000 Main Estimates

Introduction

Committee review of the draft Government Business Plans and Main Estimates is an integral part of the annual budget development process within the consensus model of government.

This year, Division of the Northwest Territories resulted in changes to the Committee structure of the Legislative Assembly over the course of the Business Plan and Main Estimate review. Before Division, the draft western Business Plans and Main Estimates were reviewed by the Ordinary Members of Western Caucus. The Members divided into two sub-committees, the Sub-Committee on Social Programs and the Sub-Committee on Resource Management and Infrastructure, to consider separately the budget issues for departments within those envelopes. All Ordinary Members of Western Caucus reviewed the Plans and Estimates of the Legislative Assembly and the Languages Commissioner.

The Business Plan review was conducted in November, 1998 and the draft Main Estimates review in March, 1999.

Since Division, all Ordinary Members of Western Caucus now meet as the Standing Committee on Government Operations, and the Sub-Committees are now Standing Committees. In the interest of continuity, the review Committees will be referred to by their present names.

It was decided by the Members of the Standing Committee on Government Operations to take a new approach in this year's Report on the Main Estimates. In previous years the Committees had reported on their reviews of the Business Plans, but the report was an internal government document that was not released to the public. The Report on the Review of the 1999/2002 Business Plans was prepared following this year's review and provided to the Government in January, 1999. However, Members believe that their review of the departmental Business Plans is an integral part of the Main Estimate review process. To show this important correlation, the Standing Committees have incorporated their comments and recommendations on the Business Plans with their report on the review of the Main Estimates. This will give the public a greater understanding on the process leading up to the tabling of the Main Estimates in the House.

General Overview

During the Business Plan review Members raised a number of concerns that are common to all of the Business Plans and pointed out issues of government-wide importance that require common strategies. Where appropriate, Government responses to the Committee concerns following the Business Plan review are incorporated and commented on by the Committee in this report.

The Business Plans

The first Business Plans put forward for the new Northwest Territories focused on balancing the budget and creating a more effective and responsible government. With a balanced budget and a restructured government organization, the Government's main focus is on addressing the critical issues and seizing opportunities facing the new Northwest Territories.

The annual review of Business Plans by Committees emphasizes the concept of 'outcomes' rather than 'inputs'. The Committees evaluate results achieved by the departments within their envelopes and assess each department's financial situation. Further, the Committees make recommendations to reduce the departments' financial and operational risk, to ensure effective decision making and bring about efficient service and program delivery.

Throughout the review process, the Committees recommended that a consistent Business Plan template be adopted across Government. The adoption of a common template will help to achieve an increase in accuracy and provide more relevant, understandable and timely information for Committees and the public. A Government-wide template will instill better accounting for the Government's financial affairs, plus better accountability for the Government's performance in achieving legislative objectives. Ultimately, this will provide better value for the taxpayers' money.

Members recognize that progress has been made in standardizing the Business Plans between the departments. This has made it easier for the Committees to move from department to department in their review. However, while the general format and presentation order are common to most departments, further progress can be made. As well, the level of detail provided under each of the headings of the Business Plans varied greatly between the departments.

With each year, accountability becomes more complex, and there is a fundamental requirement for better information. This will become increasingly evident as the Government continues its evolution from direct program delivery to service management. An increasing proportion of public funds is being spent through alternative service delivery arrangements at the regional and community levels with little or no control over day to day operations of service providers.

The Business Plan and Main Estimate process provides the Committees the only true opportunity to examine the progress the Government makes in meeting the needs of northerners. If the Business Plans do not contain an adequate level of detail it is impossible for the Committees to garner true understanding of the total picture.

Members understand that Division and downsizing have dictated the departments' agendas over the last three years. This reality has to a large part been the focus of attention for departments and Committees. However, with the resolving of many of these issues it is time to refocus on western issues and concerns.

The following are specific suggestions and concerns the Committee had with the Business Plan content.

Benchmarks and Targets

The Standing Committee on Government Operations understands that Division, and the lack of applicable western statistics make it difficult for the departments to establish benchmarks to measure success in meeting departmental goals and target objectives.

However, without initial benchmarks and projected targets it is impossible for the Committees to judge from previous years' Business Plans whether the departments have been successful in meeting their objectives and whether the Committees' faith in the departments' Business Plans was justified. Members of the Standing Committee on Government Operations are concerned that with limited revenue growth, and often a high turnover and shortage of qualified staff, the gap between quality program and service delivery standards and the capacity to achieve them will continue to grow. To minimize this, specific indicators should be adopted to provide accurate and timely performance information on a continual basis throughout the year for each department. This benchmarking process will hopefully provide the departments with a consistent flow of relevant and reliable information that will allow managers to keep track of progress and adjust operations, even in mid-course, in a timely manner.

The Standing Committee on Government Operations had recommended in its report to the Government on the Business Plans that the departments' next Business Plans include benchmarks and target goals that are quantifiable and measurable and that further efforts be made to use a consistent Business Plan format among departments.

The Government's response indicates that experience in other jurisdictions has shown that the development of appropriate measurement systems for major programs and the implementation of tracking systems for cross-departmental initiatives can take three to five years. The Government indicated that they would continue to work on improving performance in establishing target goals and benchmarks.

The Committee can appreciate that it takes time to establish target goals and benchmarks for any new program or government initiative. However, Committee Members stand by their recommendations made during the Business Plan review. It is felt that in the absence of target goals and benchmarks for programs, the Departments have no need to adhere to a work plan or to strive towards a projected outcome. Committee Members believe that even setting minimal yearly goals and objectives for new government programs would give the Committee and the Government a starting point.

Human Resource Implications

The Department of Justice's overview of the human resource implications it is facing provided a level of detail that other departments would do well to emulate.

One of the major concerns that Members have had is with the success of the Government's Affirmative Action Program. The Department of Justice's Affirmative Action Plan provided the Standing Committee on Social Programs an understanding of the Department's progress and goals in meeting the challenge of creating a truly representative workforce in the GNWT civil service. The plan, complete with actual numbers and status of affirmative action employees, provides a benchmark for the Committee to determine the success of the Department in meeting its affirmative action targets in next year's Business Plans.

Members were also concerned that the departments were using casual and term positions to meet their operational requirements. While this may be necessary to provide government services to residents, it appeared to the Members of the Standing Committee on Resource Management and Infrastructure that these casual and term employees were not included as part of the final tally of departmental employees.

The Standing Committee on Government Operations recommended, during the Business Plan review, that the departments examine the level of detail contained in the Department of Justice's Human Resource Implications section of the Business Plans and incorporate that format and information. The Government is in the process of redefining the Human Resource Implication section of the Business Plan and has advised that it will consider the Committee's recommendation in the formulation of the new standards for the section of the Business Plans.

The Committee also recommended that each department provide a position summary, which is to include the position description, geographic location and detail as to whether the position is filled, vacant, casual, term or indeterminate in the Business Plan. The Government agreed to this request and has supplied the information. This will allow the Committees to track PYs over time and help them to ensure fair distribution of government employment opportunities.

The Committee's final recommendation in the Human Resource Implications area was that complete organizational charts should be included as part of the information provided for each department including position titles and names of incumbents. The Government agreed to this request and has supplied the information. The Committee understands that once the People Soft Personnel System is up and running it should be easier for the departments to provide this information. Organizational charts, for all levels of the departments, assists the Committees to track changes brought about by restructuring.

Financial Reporting Issues

It was a time consuming exercise for the Committees to examine the financial information present in some departments' Business Plans in the absence of last year's financial figures. Committee Members realize that this is a one-time event that is due to Division. However, in the future it should be possible for the departments to include the last year's financial figures as part of any information presented to the Committees in the Business Plans. This would assist the Committee Members in their deliberations by providing year to year reference points. The Government has agreed to this request.

P-3 Projects

Several Members of both the Standing Committee on Social Programs and the Standing Committee on Resource Management and Infrastructure were concerned about the lack of inclusion of P-3 projects in departmental Business Plans. Members believe that the Business Plan and budgetary processes provide the Committees with their best opportunities to examine the O&M and

Capital requirements of the departments. Without information as to planned P-3 projects Members believe that their oversight responsibility for the departments has been abrogated. Members also believe that the information on planned P-3 projects should include any projected O&M costs that have been identified.

The Committee recommended that a separate section be included in each department's Business Plan that outlines any planned P-3 project and any identified O&M costs associated with the P-3 project and that P-3 projects be included in the capital planning process. The Government has agreed with this request and will incorporate the information in future Business Plans.

Main Estimates

As part of the review of the draft 1999-2002 Main Estimates, the Government presented the 1999-2000 Interim Appropriation. The presentation incorporated the Government's fiscal outlook for the Northwest Territories. The Government's projections confirmed the Committee's forecast of an impending deficit.

The Government's current fiscal projections for 1999-2000 forecast a $9M accumulated surplus. However this may be considered optimistic, as the Government in its Low Expenditure Pressures Scenario for the 1999-2000 year projects a $15M accumulated deficit, and in its High Expenditure Pressures Scenario, forecasts a $34M accumulated deficit. It should be emphasized that the Government's High Expenditure Pressures Scenario does not include all expenditure pressure factors. In its 'Summary of Expenditure Pressures' the Government forewarned that its scenarios, "includes only those expenditure pressures quantifiable at this time ... major requirements have not been quantified yet and will drive up these amounts". Program expenditure pressures include the high birth rate, population migration (from smaller to larger centres), political uncertainty, increasing unemployment, low education levels, decreasing revenue (including federal funding decreases) and finally aging infrastructure and facilities.

The Committee realizes that unless new sources of revenue are acquired, or more effective and efficient means of using our current resources are found, the Government's ability to deliver programs and services at acceptable levels may be severely compromised. Due to continued dependence on the federal government for the majority of our budgetary revenues, a limited ability to meet growing health, education and social pressures, limited revenues to invest in economic development, and a limited return on economic development (since a majority of revenues accrue to the federal government), the Government of the Northwest Territories may find itself unable to comply effectively with expenditure pressures.

The Government's fiscal projections forecast a 2000-2001 accumulated deficit of a low of $86M to a high of $144M; further forecasts for 2001-2002 project a low of $186M to a high of $301M.

As outlined, in its review of Business Plans, the Committee recommended the adoption of benchmarks or performance indicators that could provide the departments and the Committees with a reliable source of information that would allow for tracking and adjustments of Government programs and activities. With the potential for large accumulated deficits, the adoption of performance indicators, a consistent reporting template and clear lines of accountability have now taken on a greater importance.

Issues of Government-Wide Importance and Implications

Northern Accord

Committee Members believe that the time required to deal with the issues leading up to Division has meant that work on this important file has not received the attention that it requires. The negotiation of an equitable Northern Accord becomes more and more important as new diamond mines and gas and oil fields come on line and increased resource revenues flow south.

If there is to be any hope of the Northwest Territories to become economically self-sufficient, the Territorial Government must have control of lands and resources for the benefit of all northerners.

Committee Members believe that the Government has to allocate the appropriate resources to deal with the Northern Accord. It is hoped that in cooperation with Aboriginal organizations, the Government can make significant progress on this file in the upcoming fiscal year.

Year 2000 Compliance

This will be the last probable opportunity for comment on this issue by the Members during the Business Plan review process. Next year's Business Plan will be too late for Committee comment on Year 2000 Compliance, because if the departments haven't dealt with the issue it will be moot. Members are very concerned that the large government computer platforms and systems will not be in compliance on December 31, 1999. Members achieved no measure of comfort from any Departments' Informatics Plans that they will be in Year 2000 compliance.

The Standing Committee on Government Operations recommended during the Business Plan review that efforts be doubled to ensure Year 2000 Compliance. Members would appreciate regular updates as to the progress made by the departments.

The Government's response to the Committee's recommendation is that the Informatics Policy Committee of the Financial Management Board is continuing to make significant progress on year 2000 compliance. The Committee sincerely hopes that the Government's confidence is justified.

Contracting of Services to Nunavut

Members expressed concerns during the Business Plan review that there are no consistent Government-wide approaches to the ongoing and anticipated contracting of services to Nunavut. Each department seemed to be in the process of negotiating their own service agreements with their Nunavut counterparts without any central strategy or template from the Government having yet been developed. Members understand work on this is underway. Members are concerned that these "Contract Service Agreements" with Nunavut should contain provisions for cost-plus recovery as part of the contracting requirement.

The Government's response allayed the Committee's concerns. The Committee was advised that there is a consistent government-wide approach and a "cost-plus" factor of 6.5% incorporated into Nunavut Service Agreements.

Informatics Strategies

Several Members are concerned that there is lack of cohesion between the departments on the development of common informatics strategies. Although the Financial Management Board is in charge of developing the common Financial Information System (FIS) and a Human Resources system, there appears to be no one ensuring that the departments purchase compatible computer platforms.

The Standing Committee on Government Operations recommended during the Business Plan Review that there be closer, apparent co-operation between the departments and the Financial Management Board on Informatics Strategies.

The Government's response indicates that the Informatics Policy Committee of the Financial Management Board is charged with the review and coordination of the departments' annual Informatics Plans. The Informatics Policy Committee reviews the Plans to ensure compliance with the current government-wide

Informatics Strategy and to look for opportunities for the departments to share Informatics Technology.

The Government admits that the Informatics Strategy is five years old and outdated in today's government's realities. The Financial Management Board will be working with the departments to develop a new strategy that will better support the business goals of the Government of the Northwest Territories over the upcoming fiscal year.

The Standing Committee on Government Operations looks forward to reviewing this new Informatics Strategy when it is available.

Employee Appraisals

It is understood that during the time of upheaval surrounding Division many of the common practices of government may have been lost in the rush to deal with the myriad issues facing each department. Nonetheless, some Members believe that the departments are missing out on a potential source of feedback from employees on departmental success in meeting their goals and strategies. Members of the Standing Committee on Social Programs were impressed with the Deputy Minister of Health and Social Services' proposed methodology to ensure that employee appraisals are completed in a timely fashion by tying the awarding of performance bonuses to senior management to employee appraisals.

The Standing Committee on Government Operations recommended during the Business Plan review that all Deputy Ministers tie the awarding of senior management performance bonuses to their success in completing employee appraisals. The Government indicated that this is one of the criteria, but not the only one, in the awarding of performance bonuses to senior management.

> *The Committee recommends that the departmental completion rate for employee performance appraisals be included as part of the mid-term activity report.*

Highway Strategy

Members of the Standing Committee on Resource Management and Infrastructure see a need for the new western territory to develop a highway strategy that links every community in the Northwest Territories. Members believe that there are significant savings to be realized in the social program envelope through the development of a comprehensive highway system.

The Standing Committee on Government Operations recommended during the Business Plan review that the Department of Transportation undertake a review of the current highway system in the Northwest Territories with a view to extension to every community.

The Department of Transportation indicated in their response that this has been part of their mandate since the formation of the Department. While this may be a true statement as it relates to the internal corporate history of the Department, the Committee feels that this goal needs to be communicated to the people of the Northwest Territories. Division provides a perfect opportunity to refocus the Department of Transportation's goals.

Government Initiatives and Ministerial Responsibility

Members were concerned that recent Government strategies such as the Economic Development Strategy fall under the auspices of the Financial Management Board instead of the department where the primary focus of the strategies exists. Members are still not convinced as to the government's rationale for this.

The Standing Committee on Government Operations recommended during the Business Plan review that any strategy developed by the Government be tasked to the department that is the focus of the strategy. The Government generally agreed with this recommendation in their response.

Government Conflict of Interest Guidelines

At the time of the Business Plan review recent events had dictated that there would be a review of Conflict of Interest Guidelines for MLA's, Ministers and their respective spouses, as well as senior management. Members felt that it may be appropriate to also conduct a review of the Conflict of Interest Guidelines for entry level and middle management employees

The Standing Committee on Government Operations recommended during the Business Plan review that a review of the Conflict of Interest Guidelines for entry level or middle management employees be conducted by a committee struck from departmental human resource professionals in consultation with the Union of Northern Workers.

The Government's response was for further study and a submission to the Conflict of Interest Review Panel. The Report of the Conflict of Interest Review Panel, presented April 8, 1999, makes no reference to middle managers or entry-level positions. Committee Members remain convinced that this is an opportune

time to examine the Conflict of Interest requirements for all employees of the Government of the Northwest Territories in conjunction with the Union of Northern Workers.

> *The Committee recommends that a review of the Conflict of Interest Guidelines for entry level and middle management employees be conducted by a committee struck from departmental human resource professionals in consultation with the Union of Northern Workers.*

Policy Development

There is a concern that the present policies and guidelines of the Government of the Northwest Territories do not reflect the realities of governance in the new western territory after Division. This is a perfect opportunity for all departments to re-examine their policies and work together in developing policies that meet government objectives in a manner relevant to our new Territory.

The Standing Committee on Government Operations recommended during the Business Plan Review that all Government departments re-examine their policies in light of Division and develop, in cooperation, policies that meet the goals and objectives of the Government of the Northwest Territories and meet the needs of NWT residents.

The Government in its response agreed with this requirement and assigned the Department of the Executive to co-ordinate the review of policies in light of Division and to identify gaps in the GNWT policy framework that require attention to better meet future needs. Committee Members look forward to providing their input when the review of policies is complete.

Building Pilings in Inuvik

Members of the Standing Committee on Social Programs were concerned about the impact of rotting building piling in Inuvik on Government departments other than the Northwest Territories Housing Corporation. Members were also concerned that rotting pilings might not be an issue confined only to the community of Inuvik. The Department of Municipal and Community Affairs, in the eyes of Committee Members, has a responsibility to assist the Town of Inuvik in assessing the potential impact to the Town's infrastructure. The other departments with infrastructure in Inuvik also have to develop action plans to deal with this issue.

In addition should the issue of rotting pilings prove to be beyond the fiscal capabilities of the GNWT and its agencies federal relief funds should be accessed if possible.

The Standing Committee on Government Operations, during its review of the Business Plans, recommended that the Department of Public Works and Services take a lead role in developing an action plan to deal with the potential impact of rotting pilings on Government infrastructure in and around the Town of Inuvik. The Government's response indicated that the Departments of Public Works and Services, the Northwest Territories Housing Corporation, the Town of Inuvik and the Inuvik Housing Association are co-ordinating their activities to share knowledge, avoid duplication and to keep costs to a minimum.

The Committee also recommended that the Department of Municipal and Community Affairs render all required assistance to the Town of Inuvik in assessing the potential impacts of rotting pilings on the Town's infrastructure. The Government's response indicated that the Town of Inuvik completed the survey of their buildings in the fall of 1998 and identified four buildings that require repair. The Town of Inuvik is dealing with these buildings. The Department of Municipal and Community Affairs is on the Inuvik Utilities Planning Committee which has been dealing with pilings that support the utilidor system over the last number of years and has contributed financially.

The Committee also recommended that the Government also ensure that rotting pilings are not an issue in any other Western Arctic community. The Government's response indicates that the Department of Public Works and Services and the Housing Corporation believe that this is not an issue in any other region other than the Inuvik Region.

The Committee's final recommendation was that should the rotting pilings issue exceed the fiscal capability of the GNWT, federal relief funds should be accessed if possible. The Government has agreed with this and should the financial requirements exceed the Government's fiscal capability will apply for Federal relief.

Standing Committee on Social Programs
Report on the 1999/2002 Business Plans and the 1999/2000 Main Estimates

General Comments

This is the second year in which the departmental Business Plans were developed to follow the framework set out in the Government-wide Business Plans. This approach ensures that the departments' Business Plans are in synch with each other and with the Government's overall plans. While the Business Plans do follow the same format, and do make it somewhat easier for Committee Members to move from department to department in their review, there was a disappointing lack of detail and recognizable targets and goals provided in some departments' Business Plans.

Committee Members are also disappointed with the lack of apparent cooperation between the departments in the social programs envelope. Members feel that because the departments serve the same "client" base there are opportunities that need to be explored by the departments in cooperation rather than isolation. These opportunities will be commented on later in this report. There are many other issues that Committee Members identified that were common to the departments in the social programs envelope. These issues were, however, of a Government-wide nature or dealt with Business Plan formatting and content and are included in the overview in this report.

The Committee had recommended in the Business Plan review that a definitive schedule of cooperation between the departments in the social program envelope be developed and presented to the Committee on a periodic basis, and that this schedule should also show the issues discussed and the workplans developed to implement strategies within the social program departments.

While the Government did respond by saying that regular meetings are held at the Deputy Minister level, there was no commitment made to provide the Committee with information on the outcomes of these meetings.

> *The Committee recommends that the departments in the social programs envelope provide the Committee with periodic updates on the cooperation between the departments.*

Northwest Territories Housing Corporation

General

The NWT Housing Corporation works with the Local Housing Authorities and other concerned citizens and non-governmental organizations to achieve acceptable results in the provision of housing in the Northwest Territories. The Housing Corporation aims to ensure there is adequate social housing available for those who need it and that there are affordable housing options available for those who can look after their own needs. The Housing Corporation also works to develop a NWT based construction and manufacturing base with high aboriginal participation.

The Standing Committee on Social Programs met on November 20, 1998, to review the draft Business Plans of the Northwest Territories Housing Corporation and again on March 19, 1999, to review the NWT Housing Corporation's draft 1999/2000 Main Estimates.

Committee Members were generally satisfied with the Business Plan of the NWT Housing Corporation. Committee Members realize that the Corporation is doing what it can with the reduced federal social housing funding that it receives. Recent initiatives such as the Extended Downpayment Assistance Program are proving valuable in making northerners responsible for their own housing choices.

The Committee notes a $283,000 reduction in Operations & Maintenance funding and a $125,000 reduction in Capital funding in the 1999/2000 draft Main Estimates over the numbers contained in the 1999/2000 Business Plans.

P-3 Initiatives

Under the P-3 Initiative, the Housing Corporation plans to replace energy inefficient appliances in public housing stock and test other energy saving systems. While the Committee does look forward to being informed on the results of such cost-saving exercises as the gray water recycling system presently being tested in N'Dilo, there is some trepidation on the part of Members on the introduction of energy-saving appliances and systems at the community level.

There is no doubt that the replacement of old energy inefficient appliances would result in savings for the public housing programs administered by the Housing Corporation. However, particularly in our smaller communities, this could result

in the Northwest Territories Power Corporation having to increase the power rates to all residents of the community to meet their necessary revenue requirements. On a positive note, the replacement of older appliances could benefit communities whose power supply infrastructure is operating a near capacity, by lowering the demand on the system. This would save the cost of the Power Corporation having to add excess power generating capacity, which would be in any event, passed on to the consumer.

> *The Committee recommends that the Northwest Territories Housing Corporation work in conjunction with the Northwest Territories Power Corporation to ensure that any energy-saving programs under the P-3 Initiative not have an adverse effect on the power rates for any community.*

Business Opportunities

Committee Members are optimistic about the opportunities the Housing Corporation is developing for northern business in Alaska. There is great economic potential for northern business and for the generation of more program funding realized through profit. Members were encouraged to hear during the review of the Main Estimates that there is a potential for the supply of more housing units than originally envisioned.

While Committee Members encourage the Corporation in cautiously developing this untapped Alaskan market, they also urge a degree of skepticism in dealing with any of the former Russian Republics to provide housing units due to possible logistical and financial difficulties.

Transfer of Housing Stock to Community Governments

The Committee made note of the on-going negotiations on the transfer of some housing units to community governments. This is an initiative that may have a positive effect on the ability of smaller communities without a viable rental market to attract and retain healthcare and education professionals. The Committee encourages the Housing Corporation in further dialogue on this issue.

Tenders Administered on Behalf of the Corporation by Local Authorities

The Committee understands and supports the devolving of the tendering process to the local level. However, if the Corporation is to achieve its other goal of promoting the development of a viable manufacturing sector it will be necessary to adopt a proactive approach to ensure that all qualified northern companies are

able to bid on projects. Presently, the only recourse the Housing Corporation has to deal with the failure of local organizations responsible for tendering that neglect to ensure northern content, is to withhold the funding relating to the portion of the tender under dispute.

> *The Committee recommends that the Local Contracting Authorities performing the tendering function on behalf of the Northwest Territories Housing Corporation be required to file with the Corporation a copy of all tendering documents as they are let. The Housing Corporation should then file the tender documents with the NWT Construction Association, or other appropriate agencies, so that any qualified northern contractor or manufacturer can bid on the tender.*

Cooperation Between the Departments in the Social Envelope

During the Business Plan Review, the Committee noted that the Social Housing Program run by the Northwest Territories Housing Corporation is closely intertwined with the Income Support Program run by the Department of Education, Culture and Employment.

Both programs contain provisions that discourage people to work. There is no point for a person on income support and living in social housing paying $32 per month to take a job paying $10 per hour when he or she is no better off because of higher rent and loss of income support. The departments must work together to develop common policies that are not at cross-purposes with each other. These policies must also be re-examined in light of Division, the realities of life in the future Northwest Territories, the implementation of a new western revised rent scale and the interrelationships between Government departments and policies, particularly within the social envelope.

During the Business Plan review Committee Members were disappointed in the apparent lack of cooperation between the departments. However, during the Main Estimates review, the Committee noted a solid beginning in increased cooperation among the departments involved in delivering programming in the social envelope. It was particularly encouraging to Committee Members to hear that an inter-departmental paper on a combined social housing and income support system has been forwarded to Cabinet for their consideration. The Committee looks forward to being kept apprised on the progress made on this important, divisive issue in our communities.

Committee Members are interested in seeing the final recommendations on the implementation of the rent scale as it applies to the new Northwest Territories and look forward to providing their input.

Committee Members were also concerned that the providing of "free" social housing to seniors is not in the best interest of the Corporation. Committee Members have heard of cases where seniors have sold their own homes or given them to children and moved into social housing. Many seniors do have a sufficient income to pay for at least part of costs associated with their social housing units. This money could be used to subsidize seniors who do not have the wherewithal to pay for housing and still allow them to maintain their independence. It may be necessary to attach a means test to the provision of social housing to seniors.

The Committee recommends that the Housing Corporation develop a revised rent scale that takes into account western realities and implement it as soon as possible.

The Committee recommends that the Deputy Ministers responsible for the departments in the social envelope work together in greater cooperation in developing programming and policies that meet the needs of northerners and accomplish the Government's stated goals.

Program Survey of Local Housing Authorities

The Committee wishes to encourage the Northwest Territories Housing Corporation in its desire to increase the level of cooperation between the Headquarters function and the Local Housing Authorities. The Program Survey of the Local Housing Authorities to gauge Corporation effectiveness is a positive step in developing programming and services at the Headquarters level that respond to the needs of these Local Housing Authorities.

Reduced Canada Mortgage and Housing Corporation Funding

Committee Members are well aware that the current level of CMHC funding will be sunset on a reduced sliding scale over the next twenty-nine years. Members of the Committee share the Minister's concern that this will have an extremely detrimental effect on the ability of the Corporation to deliver new public housing and to maintain the existing housing stocks.

The Committee strongly recommends the Minister's continued cooperation with the other Canadian jurisdictions that were also adversely affected by the Federal Government's withdrawal from the provision of funding for public housing.

Committee Members also share the Minister's concern that because the Government of the Northwest Territories assumed the responsibility for aboriginal housing in the Northwest Territories the NWT is not eligible for any federal housing funding that targets treaty aboriginal people.

> ***The Committee recommends that the Minister continue to lobby his federal counterparts to ensure that the Northwest Territories receives a fair share of housing funding that targets aboriginal housing.***

Informatics and Human Resource Plans

Committee Members were disappointed in the lack of detail in the Housing Corporation Informatics and Human Resource Plans as contained in the Business Plan. However, Members could appreciate the difficulties the Corporation was having in attracting a computer system manager given the demand for qualified computer professionals.

The Committee compliments the Northwest Territories Housing Corporation in its apparent detailed response to these concerns. The Committee looks forward to discussing these issues further once Members have had a chance to analyze the information provided by the Corporation.

Pilings in Inuvik

During its review of the Business Plan, Committee Members expressed their concerns with the steps that the Housing Corporation was taking in dealing with the rotting piling issue in Inuvik. The Committee was pleased to see that by the time of the review of the Main Estimates the Housing Corporation was awaiting test results on its units' pilings. Members were also pleased to note in the Corporation's response to the Committee's concerns that extra money was identified for the Inuvik Housing Authority to deal with the rotting piling issue and that the Corporation is committed to working with all adversely affected homeowners. The Committee looks forward to the results of the tests and to the formulation of the long-term strategy to deal with the rotting piling issue.

Rent Supplement Program

During its review of the Business Plan, Committee Members expressed concerns about how this program operated. Since the money used to support this program is "hidden" in the O&M costs it is impossible for the Committee to know what the actual cost to the Corporation is for the Rent Supplement Program

Prior to the review of the Main Estimates, the Housing Corporation did provide the Committee with details on the Rent Supplement Program and which communities had units under the program.

Department of Justice

General

The Standing Committee on Social Programs met on November 19, 1998, to consider the Business Plan for the Department of Justice and again on March 18, 1999 to consider the draft 1999/2000 Main Estimates for the Department of Justice.

Committee Members were impressed with certain aspects of the Department of Justice's Business Plan, such as the Informatics Plan and the Affirmative Action Plan. However, Members were disappointed with the lack of detail in setting reference points and benchmarks for attaining the Department's stated goals. The Department has committed to providing last year's financial figures in future Business Plans so that Committee Members can conduct their review with full knowledge of the facts and departmental trends.

The Committee noted in its review of the 1999/2000 draft Main Estimates for the Department of Justice a $594,000 increase in Operations & Maintenance costs from the number contained in the Business Plan, attributable to the increased personnel costs associated with collective bargaining, and a $4,000 reduction in Capital funding, relating to the South MacKenzie Correctional Centre parking lot.

Human Resource Implications

The Affirmative Action Plan included in the Human Resource Implication section in the Business Plan contained sufficient detail to give the Committee a good understanding of the Department's current affirmative action status as well as its plans for the future. Committee Members were disappointed that the Affirmative Action Plan achieved results in the Corrections program while failing to address of the other programs in the Justice. However, the Department's placement of aboriginal candidates in developmental positions, in Corrections, is an excellent way of improving aboriginal representation at the managerial level. In summary, the reporting process is commendable, however more focus must be placed on other areas of the Department.

In addition, Committee Members stress that annual performance appraisals are a valuable management tool to gain employee feedback on the success or failure of the Departmental goals and strategies and to gauge whether the Department is being successful in implementing its stated goals. Also in this time of stress and anxiety surrounding Division it is important to provide a sounding board for employees so that they can feel part of the Departmental team.

> *The Committee recommends that the Department of Justice examine opportunities to include aboriginal managerial development positions in program areas other than Corrections. If necessary these developmental positions should include an educational component if the candidate is lacking in some required skills that could only be attained in a post-secondary institution.*

Policing Services

During the review of the Business Plans, Committee Members were pleased with the progress made on the Community Constable Program. It was acknowledged that this is a valuable program to our smaller communities and the RCMP officers who serve us. In the larger communities, Committee Members believe that the Auxiliary Constable Program needs to be promoted as a positive way of dealing with the policing shortages facing northern communities.

During the Business Plan review the Committee had requested that the Department investigate the possibility of using the Aboriginal Justice Training Centre in British Columbia for the training of Community Constables. The Committee notes that the Department has decided not to pursue this option, citing satisfaction with the RCMP Training Depot and the fact that the Community Constables work closely with RCMP Officers and should be trained in RCMP methodologies.

Committee Members had recommended during the Business Plan review that the Department re-evaluate the level of support, both financial and departmental, to the Auxiliary Constable Program and if necessary inject the minimum funding required to make the program meaningful. The Department has indicated that the funding for the Auxiliary Constable Program is accommodated through the current allocation from the Department to the RCMP. The Department advised that it will discuss the issue with the RCMP and, if necessary, examine opportunities to increase funding to the Auxiliary Constable Program. The Committee looks forward to being informed on the results of the consultation with the RCMP.

The Committee is very concerned about the transfer of RCMP jobs to southern Canada. It is a paradox that as one federal government department is exploring moving a significant portion of its workers to the Northwest Territories the RCMP is actually reducing their presence as a cost-saving measure.

There is also a concern on the part of some Members of the Committee that the budget for policing in the north is inadequate.

It is Members' understanding that the RCMP only has the resources to conduct one major investigation a year in the Northwest Territories. This has meant that some crimes, such as the missing five Dene girls, have not received as much attention as they deserve due to a lack of resources. With the coming diamond mines, the Northwest Territories may attract a more sophisticated criminal element and the RCMP will need resources to combat this.

> *The Committee recommends that the Department and the Premier's Office apply more pressure to their federal counterparts to increase the policing budget for the Northwest Territories and to ensure that services and support staff related to northern policing stay in the north.*

Wilderness Camps

As with other programs within the Department of Justice, Committee Members were concerned with the lack of measurable results that could be attributed to the wilderness camp program. There was total agreement among Committee Members that this program should be valuable in keeping first time and minimum risk offenders from being exposed to the more "hardened" criminal element in our correctional centres. However, Members felt that in the absence of quantifiable results showing recidivism rates of the inmates who have gone through the wilderness camp program, the Committee's faith in the program needed objective justification.

Committee Members believe in the merits of the wilderness camps and appreciated receiving further information on per-diem rates and on the areas of the Northwest Territories that may not be adequately served.

Committee Members also believe that the Department needs to make a greater effort to promote the wilderness camp option to the general public as a positive Government policy, to the judicial system as a viable sentencing option and to the Correctional Service as a way to deal with most low-risk offenders. The Committee Members noted that the Department works with Corrections Canada to ensure that eligible federal prisoners from the Northwest Territories can be placed in the wilderness camps.

Committee Members are concerned that there is no apparent methodology for program evaluation of wilderness camps. It is felt that each operator must be evaluated as to the quality and quantity of programming offered and the qualifications of the staff. This relates to a Committee concern that the present per-diem is inadequate to ensure the viability of wilderness camps, particularly if there is more than one operator in the community or area. It may be necessary to limit the number of wilderness camp operators to ensure the long-term goals of the Department are met.

Committee Members are not convinced that the per-diem method of payment ensures the long-term success of the program. If operators cannot maintain equipment and staffing levels due to under-utilisation of their wilderness camps it is likely that they would not be able to gear up to take in the maximum number of offenders they are allowed in their facilities. Committee Members would like to see a blended core-funding and per-diem rate method of funding the wilderness camp operators be instituted. It is felt that this would lend a sense of permanency to the operators and ensure the long-term success of this valuable program.

The Committee had recommended in the review of the Business Plans that full-time wilderness camp operators be funded on a combined core-funding and per-diem rate basis to ensure the viability of the program. The Department states that this is not possible in the light of the amount of funding available to the program.

Probation Services

Members of the Committee would like to encourage the Department in the development of its own stand-alone probation service. The separation of the probation task from the social service task will improve social service delivery at the local level and provide increased sentencing options for the judiciary and Community Justice Committees.

Members would like to receive regular updates on the status of the stand-alone probation service as it is developed.

Contracting Services to Nunavut

Committee Members appreciated being provided with details of the service agreements as they are finalized with Nunavut. Members had expressed some concern that expansion and upgrades to the Yellowknife Correctional Centre hinged on successful negotiation of a contracting arrangement with Nunavut. It

will be necessary for the Department to monitor this closely, as the loss of the contracting agreement would derail the expansion project at YCC. The failure of the prisoner agreement or loss of the prisoners to another jurisdiction would result in significant capital expense to the Department as the renovation and expansion of the Correctional Centre is long overdue. This would mean the loss of capital funding in other important program areas such as education and healthcare.

Information Strategy

Committee Members were impressed with the level of detail that the Department provided in the Business Plan. The level of detail gave Members a good understanding of the problems facing the Department and the strategies that the Department intends to implement to resolve its information system shortfalls. Members look forward to updates on the Department's progress.

> *The Committee recommends that the Department of Justice work in conjunction with other departments in the social programs envelope to develop common information system strategies where possible; and work with other Government departments in developing common computer platforms.*

Corrections Programming

Committee Members realize that the corrections facilities in the Northwest Territories are overcrowded and that as a result, space to run relevant inmate programming is not available. It is felt that the Department is doing what it can under adverse conditions. However, Committee Members believe that as program space becomes available through redesign/renovations at the Yellowknife Correctional Centre the Department must be able to step in and fulfil its mandate to provide relevant programming to inmates. The Committee encourages the Department to monitor this closely so that it is able to implement more programming as soon as space becomes available. It is also felt that the Department has to lend greater credence to the wilderness camps as a viable and important part of corrections programming.

Benchmarks

The Department has set many goals and projected outcomes in the Business Plan. However in the absence of any defining benchmarks, Committee Members feel that they will be unable to measure the Department's success against next year's Business Plan. Committee Members also hope that improvements to the

Information System would enable the Department to provide relevant statistics to measure success in meeting Departmental goals. The Committee looks forward to progress in next year's Business Plans.

This is the third year that the Committee has conducted its Business Plan review in the absence of defined goals and objectives quantified by measurable benchmarks. Committee Members are concerned that in the absence of measurable benchmarks they are in effect giving carte blanche to the Department.

> The Committee recommends that the Department develop defined goals and objectives as quantified by measurable benchmarks.

P-3 Projects

Committee Members were concerned that the Business Plans do not currently contain references to planned projects under the P-3 Initiative and made a recommendation that P-3 Projects be listed in the Business Plan. This information is necessary so that Committee Members can have a true understanding of all requirements of the Department and so that the Committee can ensure adequate forward planning by the Department in meeting the future O&M requirements of any proposed P-3 Project. The Committee was pleased that the Department agreed with the recommendation and will provide a listing of P-3 Projects in future Business Plans and Main Estimates.

Legal Aid Presumed Eligibility

All persons are now assumed to be eligible for Legal Aid under the Presumed Eligibility policy. Persons no longer have to apply and wait for a decision on whether they are eligible for Legal Aid. Committee Members could accept the majority of arguments that the Minister put forward on the effectiveness of presumed eligibility. However, in the absence of any quantifiable statistics, it is still hard to justify the Committee's faith in the program. Members look forward to the implementation of the Legal Aid Information System in the upcoming fiscal year and discussion on the success of presumed eligibility during the next Business Plan Review.

Residential Schools

Committee Members appreciated the opportunity to have a wide-ranging discussion on the residential school abuse issue during the review of the

Business Plans and Main Estimates. Members were impressed with the concept of an Alternative Dispute Mechanism as proposed by the Grollier Hall Survivors Group. The use of an Alternative Dispute Mechanism would remove the need for costly court proceedings, through the use of negotiation. The opportunity for the Department to work proactively with the survivors to reach a mutually acceptable solution must be pursued vigorously by the Department.

Committee Members are, however, concerned that any solution arising out of the successful use of the Alternative Dispute Mechanism should not intrude on the lives of any persons who have dealt with their own issues surrounding the abuse that occurred at Grollier Hall.

Regarding any monetary compensation for the abuse suffered in residential schools, Committee Members concur with the Minister that there should be a methodology of validating any claim. While Committee Members do not wish to see any particularly onerous criteria attached to the validation of any claim, it is necessary to formulate a validation process to protect the public interest. Committee Members would be interested in reviewing the criteria for monetary compensation once it is developed.

Committee Members are interested in the appointment of a Special Advisor to the Premier on Residential School Abuse. Members believe that the issue of residential school abuse is of such a magnitude that it warrants the appointment of a Special Advisor to help the Minister and Department develop approaches to deal with this important issue affecting the lives of many northerners. The appointment of a Special Advisor would demonstrate to members of the general public that this Government is serious in its strategies to deal with residential school abuse.

The Special Advisor could also serve as a central contact authority for victims of residential school abuse or for persons who have encountered physical and sexual abuse in government run institutions.

Committee Members are of the opinion that there is an opportunity to access some federal funds to provide treatment to inmates whose lives have been adversely impacted by the abuse they suffered at residential school. The Committee was pleased with the Department's promise to work with aboriginal organizations to develop programming for those inmates with issues arising from residential school abuse.

The Government must develop a proactive approach to dealing with the issue of residential school abuse. All departments must work together to identify the magnitude of the problem and offer all possible support to the survivors. The Committee would like to be kept apprised of progress on this issue and the

measures being taken by the Government to support the survivors of residential school abuse.

Stand-Alone Courthouse

Committee Members could not help but feel that they were blindsided by the Department's presentation of a need for a stand-alone courthouse during the Business Plan review. There was no mention in the last two Business Plans that this was a requirement. Committee Members are not adverse to a stand-alone courthouse; however, there are several more steps that the Department will have to take before Committee could support this request. The Committee requires more information on financing options. Committee Members strongly believe that the stand-alone courthouse must become part of the Department of Justice's capital planning process.

Initially, Committee Members feel that the issue of a stand-alone courthouse cannot exist outside the planning process. Should another financing option come forward such as the one proposed by Polar Panda Developments in their letter of January 15, 1999, and be accepted by the government, the building of the courthouse could then move forward outside the capital planning process. There will have to be further discussion between the Department and the Committee before the Committee can adopt any definite position.

> *The Committee recommends that further study of other viable options be undertaken by the Department on the need for a new courthouse.*

Community Justice Initiatives

Committee Members strongly believe in the delivery of justice at the community level where appropriate. Sentencing circles, the involvement of elders in the justice system and wilderness camps are excellent examples of delivering justice at the community level that must be supported by this government. With Division, Committee Members believe that this is the perfect opportunity to re-examine justice at the community level. Committee Members support the Department's intention to sponsor a conference on Community Justice in the new Northwest Territories.

Maintenance Enforcement

Committee Members are well aware of the overwhelming workload placed on the staff charged with delivering this activity. To help the staff in discharging their

duties it is strongly recommended that all government computer systems be adapted to "red flag" any person with outstanding obligations. Informing the staff of the Maintenance Enforcement Unit as to the location of persons who have maintenance enforcement judgements against them should make it easier for staff to track these people in the Northwest Territories. The renewal of drivers licenses, registration of vehicles and access to healthcare services are three examples that could be used by the Government to track persons owing money under maintenance enforcement judgements.

> *The Committee recommends that government computer systems be adapted to assist the Maintenance Enforcement Unit in tracking persons in default under Maintenance Orders.*

Department of Education, Culture and Employment

General

The Department of Education, Culture and Employment offers a wide range of services. These include Early Childhood Programs, School Services, Education and Training for Adults, Income Support, Culture and Heritage and Information Technology.

During the review of the 1999/2002 Business Plans, on November 23 and 24, 1998, the Standing Committee on Social Programs and the Minister agreed that in the future the Department should make notes in the Business Plans as to the long-term financial commitments of the Department. It may be necessary for Cabinet approval to occur before costs of long-term leases can be included. The Committee was also concerned as to the lack of detail in the goals, measures, targets and strategies in the Business Plans. In reporting back to the Committee during the Main Estimates review, the Department committed to supplying more details in the 2000/2001 Business Plans.

The Standing Committee on Social Programs reviewed the 1999/2000 Main Estimates presented by the Department of Education, Culture and Employment on March 14, 1999. The Committee noted that there were organisational changes within the department's financial reporting format. The Committee also noted an overall increase of $3,292,000 from the figures presented in the Departmental Business Plans. The proposed increase is intended to offset the additional costs of Nursing and Social Worker Programs, the new job evaluation system, and the Building and Learning Program.

Early Childhood Education

The Committee recognises the value of early childhood programs. Kindergarten is not mandatory in the Northwest Territories; there are few jurisdictions that require attendance in schools before the age of six years. During the Business Plan review some Members expressed concern that kindergarten is not mandatory in the Northwest Territories. The Committee requested that the Minister report back to the Committee with the results of any studies that have been completed in regard to correlation between early childhood programs and school success. The Committee was supplied with copies *of Early Childhood Services for Kindergarten-age Children in Four Canadian Provinces: Scope, Nature and Models for the Future*. This study investigates how kindergarten and child care combine to meet the needs of children and families but does not supply correlation between early childhood programs and school success. This issue remains outstanding.

Programs that are part of the Healthy Children Initiative have been evaluated. During the Business Plan review the Committee requested and have since received copies of that evaluation.

School Years

Social Passing

Presently the decision to use social passing lies with the District Education Authorities. As a result of social passing, teachers are required to teach multi-grade levels in one classroom. It is necessary that teachers be supplied with adequate resources to meet this challenge.

In studying the numbers of students in different grades in the NWT it is found that there is a high number of grade 10 students compared to grade 9 students, grade 11 students and grade 12 students. Some of this number may be attributed to students returning to school when grade extensions are offered in their community. However, when students reach grade 10, passing is based on ability. The Committee felt that when some of the students who had been socially passed reached grade 10, they did not have the necessary skills to acquire passing grades and would be retained at this level. This could be a major contributor to the "bump" in the numbers of students at the grade 10 level.

The Committee has reservations in regard to the merits of the "social passing" of students. During the review of the 1999/2000 Business Plans Members requested and have since received documentation on this issue.

Multi-term School Year

During the review of the 1999/2000 Business Plans the Committee discussed the possibility of year round schooling with more terms than are presently offered. A multiple term year would allow for greater flexibility for parents, school programming and increase the use of school buildings. The Northwest Territories Education Act requires communities to develop and set their own school year. The Committee recommended that the Department explore the option of year round schooling and multiple, shorter terms for all grades and share their findings with District Education Authorities. The Department has responded that they will circulate information on year round schooling to all jurisdictions.

High School Extensions

Committee Members are concerned about the quality of grade extensions in small communities. Presently there is no tracking of high school graduates in the Northwest Territories in terms of employment and pursuit of further education. The Committee encourages the Department to develop a method to track the success of NWT high school graduates in acquiring jobs and achievement in post-secondary education. The Committee looks forward to receiving further information as to the progress of this initiative.

The Department completed a high school review; the Committee requested and received copies. The Committee noted that this report only includes the preliminary findings of the review and looks forward to receiving a more comprehensive, final document.

Northwest Territories Grade 12 Diploma

The requirements for a grade twelve diploma have changed within the last five years. To acquire a grade 12 diploma, a student may only need to write one standardised test, in the subject area of English. The standardised examination used is the departmental exam from Alberta. Final evaluation is determined by combining 50% of the student's departmental exam mark and 50% of the mark achieved through course work. An additional two grade 12 courses are necessary to acquire a diploma but the courses do not have to be in subject areas where Alberta Departmental exams are required. There are a greater number of grade eleven level courses required for a diploma; English, Social Studies, Mathematics and Science. The grade eleven courses do not have territorial-wide tests and a territorial-wide evaluation scheme.

The Minister explained that the NWT diploma is not used as a means to enter into post-secondary institutions and further explained that consistency between schools and school districts within the NWT is achieved through the common requirements laid out in the curriculum. However, the Committee still feels that there are wide discrepancies in competency levels of students taking the same course in different communities.

The Committee has concerns in regard to the quality of the NWT grade 12 diploma. What is the value of a NWT diploma if there are no territorial-wide standards for evaluation or testing? In the Committee's view, the delivery of the standard curriculum alone is not an adequate measure. Further, the present method of evaluation does not have checks to ensure that the curriculum is being taught or evaluated competently. A great deal of power is given to individual teachers in the evaluation of students and the delivery of curriculum. During the Business Plan review, the Committee discussed with the Minister the possibility of developing standardised examinations for the Northwest Territories for core subject s.

Presently, with no territorial-wide standards of evaluation, undue responsibility is placed upon employers and post-secondary institutes to investigate the competency of students with NWT diplomas. Not only must a student's transcripts be reviewed for course content but also competency in the courses must be assessed. This is because standards in one community may vary greatly from those in another community. Further, evaluation schemes vary greatly. One teacher in a school may make the final exam worth 50% while another teacher in the same school may make the final exam worth 10%.

> *The Committee recommends that the Minister investigate the possibility of developing territorial-wide tests and a territorial-wide evaluation scheme for grade eleven core subject courses (Math, Social Studies and Sciences). This would ensure consistency in curriculum delivery and an equitable evaluation of students across the Northwest Territories. The value of a grade 12 diploma would be made more consistent throughout the NWT.*

Special Needs on a Territorial Level

During the review of the Business Plan, the Committee noted that it is the responsibility of District Education Authorities to address Fetal Alcohol Syndrome (FAS), Fetal Alcohol Effect (FAE) and Attention Deficit Disorder (ADD) in schools within their jurisdiction. Successful workshops have been conducted in the South Slave District, utilising the services of Mr. Tom Hartman, an ADD specialist, and these would be of value to all of the Northwest Territories. The Committee recommended that the Department of Education, Culture and Employment adopt a proactive approach and address special needs initiatives, such as FAE, FAS and ADD, at the territorial level.

The Committee received a response that "the Department of Education, Culture and Employment is actively working with the Department of Health and Social Services to develop a comprehensive and coordinated approach to support students with special needs in the NWT. The approaches presently under

development will enable the Department to increase the awareness of FAS/FAE and ADD in schools across the NWT".

Income Support

The Committee notes that there have been ongoing discussions between the Department of Health and Social Services and the Department of Education, Culture and Employment in regard to 16 to 18 years olds who meet the conditions of the *Child and Family Services Act*. These individuals, under the Act, are eligible to live on their own but are not recognised as being eligible for income support by the Department of Education, Culture and Employment. The Committee would like to see this issue resolved and would like to be informed as to the solution.

Student Financial Assistance

During the Business Plan review Committee Members indicated that constituents have reported to them that there may be inconsistencies in the collection of non-forgivable student loans. The Committee would like the Department of Education, Culture and Employment to ensure that consistency is being applied in the collection of non-forgivable student loans and encourages the development of an adequate tracking system for the Student Financial Assistance Program.

Further, the Committee noted that aboriginal students not covered in the Indian Act are required to pay income tax on their student grants. The Committee requested information regarding income tax obligations for non-aboriginal students, aboriginal students covered under the Indian Act and aboriginal students not covered under the Indian Act.

Culture and Heritage

Aboriginal Languages

During the review of the Business Plans the Committee raised concerns in regard to aboriginal language communities that have not submitted proposals for funding for the development of language strategies. As a condition of funding, organizations are required to have their language plans developed by 31 March 1999. To date, no proposals have been received for the North Slavey, Chipewyan or Inuktitut/Inuinnaqtun languages. The Committee recommended that the Department play a lead role in the development of a strategic plan for aboriginal languages, in conjunction with language communities and the Languages Commissioner.

The Department's response was that they "will continue to take a leadership role in working with the language communities in developing an overall framework for

language programs. ECE has also offered to assist Aboriginal organisations to develop their own strategic plans for revitalising, developing and promoting their languages."

The Minister of Education is also the Minister responsible for the Northwest Territories *Official Languages Act*. The Northwest *Territories Official Languages Act* is due to be reviewed.

> ***The Committee recommends that the role and mandate of the Commissioner of Languages be examined as part of the review of the Northwest Territories Official Languages Act.***

Culture and Heritage Policies

The preservation and protection of culture and heritage is important to the people of the Northwest Territories. During the review of the Business Plan, the Committee noted that there are Government policies relating to culture and heritage that date back to the late 1980s and early 1990s. These policies may be-out dated or no longer relevant. The Committee recommended that there be a review of Government policies relating to culture and heritage to make the policies current. The Department committed to undertaking this review in 1999/2000.

Human Resources and Affirmative Action

The Committee expressed concerns regarding the low number of aboriginal employees in managerial positions in the Department in the Business Plan review. The Committee recommended that the Department of Education, Culture and Employment study the affirmative action plan utilised by the Housing Corporation and try to implement a similar one for management positions within the Department.

The response of the Department was "the Department has been developing an overall human resource development plan. A copy of the NWT Housing Corporation's plan will be obtained for use in developing the plan."

The Committee also recommended that the NWTTA professional development training include an affirmative action priority for education leave. The Department will ask the central Professional Improvement Committee to address this recommendation.

In the review of the 1999/2000 Main Estimates, the Committee also noted the absence of the application of affirmative action policies in granting professional development opportunities for staff who fall under the Aurora College bargaining

unit. The Minister has agreed to raise this issue when the next Collective Agreement is negotiated.

Affirmative Action Stipulations for Training

During the Main Estimates review, the Committee was surprised to learn that there are no aboriginal trainees in the Sirius Diamonds training program. Sirius Diamonds has received government funding for training. The Committee was concerned that perhaps, insufficient efforts were made to acquire applications from individuals of aboriginal descent. The Minister will pass this concern on to the company.

In the future, government should review how funding for training initiatives could be more closely linked to affirmative action policies of the government.

Building Maintenance

The Committee would like the Department to determine if there has been less preventive maintenance being performed on its buildings in small communities, since the Department of Public Works no longer performs the duties. The concern was raised, during the review of the Main Estimates, that when contractors go into the communities to perform maintenance, they only perform the maintenance they are contracted to do. When DPW performed the maintenance of government buildings in small communities, it was not limited by a contract. Often, DPW personnel would perform more tasks than were listed on their work orders. The Minister agreed to follow up on this issue.

Funds spent on Administration

The Committee noted that administration costs are involved in the delivery of programs and in the functions of the District Education Authorities and the Department's Directorate. The Department has agreed to do an evaluation of its operations to determine the total amount of money spent upon administration and provide its findings to the Committee.

Exit Interviews

The Committee was concerned to learn that exit interviews are not conducted with all personnel that leave the employ of the Department. The Standing Committee on Government Operations had placed this as a priority within government. The Minister agreed to act upon this concern.

Informatics

The Committee recommends that the Department of Education, Culture and Employment work in conjunction with other departments in the social programs envelope to develop common information system strategies where possible, and work with other Government departments in developing common computer platforms.

Department of Health and Social Services

General

The Standing Committee on Social Programs met on November 25 & 26, 1998, to consider the Business Plan for the Department of Health and Social Services and again on March 15, 1999 to consider the 1999/2000 draft Main Estimates for the Department.

The Department's Business Plan shows a high degree of correlation to the recent departmental strategic planning exercise. Committee Members were impressed with the linkages that the Department showed between its strategic directions and Government and Departmental goals. Committee Members were, however, disappointed in the lack of detail provided by the Department as to how it intends to measure success in meeting its stated goals. Without knowledge of the starting points and definable targets, the Committee, and indeed the Department, has no method of measuring its success in meeting stated goals and objectives.

The Committee noted in the 1999/2000 draft Main Estimates an increase of $4,605,000 in O&M over the numbers contained in the Business Plans and a $541,000 decrease in Capital attributable to the postponement of Major Code Upgrades / Renovations until after the assessment is done during the upcoming fiscal year.

Cost of Administration

Committee Members expressed concern during the Business Plan review that administration costs must not increase. In the view of Committee Members the present level of spending on administration is approaching the maximum and no increases should be contemplated without corresponding increases to actual program spending.

Committee Members continue to be concerned that administration costs within the social program envelope be kept as low as possible. With the inability of the Committee to examine the government-funded administration costs at the Board level during the Business Planning and Main Estimate review process, there are concerns that the "true" cost of administration for the Department is hidden at the Board level. Committee Members would have greater faith in the Minister's assertions that administration costs are kept as low as possible if they could examine the Board's Annual Reports at some point during the Business Plan or Main Estimate review process.

Level of Detail on Territorial-wide Treatment Programs

Many of the programs of the Department of Health and Social Services are administered at the Headquarters level as opposed to the Board level. Some activities such as the Northern Addiction Services and the Community Wellness Programs are hidden within one all-encompassing line item in the Main Estimates.

Committee Members, while understanding the accounting principles that make this an acceptable practice, would like to see greater detail included as an appendix to the Main Estimates.

Recruitment and Retention Program

The Committee understands that this activity is just in the process of being established. In these days of increased competition for healthcare professionals, it is vitally important to the health and welfare of all residents of the Northwest Territories that the Government does all that it can to recruit and retain qualified personnel. Committee Members would appreciate updates on this activity as plans are formulated.

Integrated Strategy for Children and Youth

Committee Members are very interested in the progress the Departments in the social program envelope make on establishing baselines and identifying cost-effective improvements to services for children and youth. While Committee Members can understand the need for extensive consultation with the Health Boards, there is a concern that the process will take so long as to be virtually impossible to implement for the next Business Plan.

Committee Members have expressed their dissatisfaction in the past with the lack of identifiable targets for many of the programs that they examined during the Business Plan review. Members are disappointed that they will have no opportunity to examine any of the results of this strategy during the life of this Assembly. It is, however, important that any progress made on the Integrated Strategy for Children and Youth is incorporated into next year's Business Plan and Main Estimate review process.

Treatment Centres

Committee Members believe that the current Departmental review of the activities of the Northern Addictions Services is crucial to the long-term success of addictions programming in the Northwest Territories. Members are concerned, however, that as a result of the review of the treatment centre at Dettah, more program space for addiction treatment will disappear.

Committee Members would like to remind the Department that this activity has already experienced significant reductions in funding during the forced budget cutting exercise that occurred early in the life of this Assembly.

Committee Members are of the opinion that we cannot afford to lose another treatment centre. Members also believe that the Department, in its review, must look at holistic approaches to addiction treatments as opposed to the current 28-day based programs. The root causes of addiction must also be examined and practical solutions effected.

Long-term Care Bed Shortage

Committee Members are concerned there is a developing shortage of long-term care beds in the communities of the Northwest Territories. It is vitally important that the Department develop a strategy to deal with the developing bed shortage. Committee Members look forward to being apprised on future initiatives and strategies in this area.

Child Welfare Information System

The Child Welfare Information System does not accurately track the number of children in care. The Department has admitted that the system does not meet the needs of the program.

This has been a major concern of the Standing Committee on Social Programs since the beginning of its mandate three and a half years ago. Committee Members were pleased to hear that the Child Welfare Information System will be finally developed and implemented over the upcoming fiscal year.

Tobacco Cessation Programming and BC Lawsuit

Committee Members believe strongly that the Government of the Northwest Territories should join in with British Columbia's lawsuit against the tobacco companies. It is felt that any monies realized from the successful conclusion of this suit could be used to combat smoking in the Northwest Territories, particularly among our young people. The Committee looks forward to seeing the statistics on smoking in the new NWT compared to other Canadian jurisdictions.

Members of the Committee also feel that any smoking cessation programs developed by the Department should contain provisions for assisting with the cost of products designed to help the smoker quit. Members believe that spending money now on products that help northerners break the grip of nicotine will translate into reduced costs to the healthcare network later on in the smokers' lives.

The Committee recommends that the Government of the Northwest Territories join with British Columbia in pursuing a lawsuit against the tobacco companies to attempt to recover the extra costs to the social envelope caused by dealing with the long-term effects of smoking to northerners.

The Committee recommends that any smoking cessation program developed by the Department include provisions for assisting with the cost of products designed to help smokers quit.

Informatics

Committee Members believe that there is an opportunity to develop common computer programs and platforms in conjunction with other departments in the social programs envelope. The departments serve a common client base and should be able to develop a system that allows for multi-departmental access but restricts the information the user can access on the client.

Committee Members understand that there are policy and legislative reasons for the departments' reluctance to co-operate in the development of common computer systems. However, in light of the major policy reform initiative recommended by the Committee elsewhere in this report, this may be an opportune time to also examine the development of common computer systems.

Committee Members were pleased that the Department of Health and Social Services is examining the Yukon computer system that is being adopted by the Department of Education, Culture and Employment. Committee Members would like to be apprised on the Department's evaluation of the Yukon system.

> ***The Committee recommends that the Department work in conjunction with other Government departments, particularly with those in the social program envelope, to develop common computer systems and platforms.***

Cooperation with other Departments

Committee Members feel that the relationships between departments in the social program envelope are not as fully developed as they should be. Many of the Government's goals will require a high level of cooperation if any measurable results are to be achieved. Programs that are designed in isolation from other departments could create situations where one department's program is at direct cross-purposes to another, while in fact both programs were designed to meet the same Government goal.

When the Department of Health and Social Services talks of encouraging physical activity in children it is apparent to Committee Members that the Department must work in concert with Education, Culture and Employment and Municipal and Community Affairs to develop relevant programming and services to address the issue.

Committee Members believe strongly that regardless of any confidentiality or proprietary concerns, there is an opportunity for the departments in the social envelope to work together to develop a common "tombstone" computer system.

that would allow selective access to data, to track the common client base. This would include the removal of policy and legislative roadblocks.

> *The Committee recommends that the departments in the social envelope work together in greater cooperation in developing programming that meets the needs of northerners and accomplishes the Government's stated goals.*

Health and Social Service Board Issues

Committee Members wish to encourage the Department in cooperating with the Regional Health and Social Services Boards to develop a formula-financing agreement that meets the needs of Boards in delivering services to northerners.

Committee Members were pleased by the Department's efforts to improve the quality and quantity of support to the Regional Boards. It was felt that an improved support structure at the headquarters level would result in less interference by the Department in Board affairs at a later date. A central contact point for the Boards should make it easier for them to get quick answers to crucial questions.

It was also felt by Committee Members that the Boards and the Department have to do a better job in communicating to people and families that they have to take responsibility and ownership in meeting their own health issues. Northerners have to be educated as to the long-term health consequences for engaging in high-risk behaviours. Committee Members encourage the Department to develop preventive strategies that would lessen the impact of high-risk behaviours on the social program envelope.

Human Resources

The Department's Human Resource Strategy focuses on how the Department will deal with the health care personnel shortage in the smaller communities. The hiring of a Retention and Recruitment Specialist and the development of nursing programs in northern colleges are a good start in dealing with the health care personnel shortage.

Committee Members were disappointed in the lack of detail on affirmative action. The Business Plan process is one of the few opportunities that the Committees have to gauge the success of the Department's efforts in meeting the Government's overall goal of building a representative workforce. The

Committee appreciated being provided with a further breakdown on affirmative action by employee task or occupation.

Committee Members realized that these are trying times for all departments and appreciated the candor the Minister and the Deputy Minister showed during the Business Plan review in admitting that not all positions in the Department had a job description. The Committee was pleased to note that the job descriptions were completed by March 31,1999.

Repatriation of Northerners from Southern Institutions and Facilities

The Committee encourages the Department to repatriate northerners presently institutionalized in southern medical care facilities to ones in the north wherever possible. It is felt that it might be possible to realize savings to the Government through reduced payments to other jurisdictions and provide an environment for patients that encourages greater contact with their families and communities.

Children in Care

Committee Members were concerned that with the exposure of systemic abuse within the residential school system, similar conditions may have existed for past permanent wards under the *Child Welfare Act*. Committee Members feel that given the similarities between group homes and residential schools, it is only a matter of time before cases are made public. The Department should develop a contingency plan to deal with this in co-operation with other departments in the social envelope.

Probation Services

The decision by the Department of Justice to develop a stand-alone probation service should bode well for social services workers in the Northwest Territories. Combined with the income support worker administering income support, this should allow the social worker to make more home visits and spend more time on individual files.

Committee Members believe that this will result in better service to the clientele and more 'made in the community' solutions by the social worker. In addition, social workers should be able to supervise more special needs cases in their home communities, without having to refer the clients to outside resources or southern facilities.

Standing Committee
On Resource Management & Infrastructure
Report on the 1999/2002 Western Business Plans and the 1999-2002 Main Estimates

General Comments:

The Standing Committee on Resource Management and Infrastructure reviewed the Business Plans and Main Estimates for Departments within its envelope. The envelope includes the Departments of the Executive, Finance, Municipal and Community Affairs, Public Works and Services, Resources, Wildlife and Economic Development, Transportation, in addition to the Financial Management Board Secretariat and Ministry of Aboriginal Affairs.

This review process conducted by the Committee ensures that there is closer and clearer linkage between resources and results. The Committee hopes that this review process will improve the effectiveness, efficiency and accountability of government programs by having departments clearly focus their management practices on program results.

Department of the Executive

General

The mandate of the Premier and the Department is to provide overall management and direction to the Executive Branch for the Government of the Northwest Territories.

The Standing Committee on Resource Management and Infrastructure reviewed the 1999-2002 Business Plan for the Department of the Executive on November 19, 1998. The Committee noted that there was understandably increased emphasis on the creation of two new territories. There were also three significant changes in the Department. The former Personnel Secretariat is now Corporate Human Resource Services, which develops and monitors government recruitment policy, the Affirmative Action Policy and other government wide human resource policies. Secondly, the Official Languages Unit has been transferred to the Department of Education, Culture and Employment. Finally, a new task force comprised of outside consultants and a working group of officials under the direction of the Secretary to Cabinet

is developing an Economic Development Strategy. Since the Business Plan review, the development, coordination and administration of the Economic Development Strategy has been transferred to the Department of Resources, Wildlife and Economic Development (RWED).

Throughout the Committee's review of the Department's draft 1999-2000 Main Estimates on March 25, 1999, Members identified key issues that continue to exact a significant demand on the Department and the Government. These issues include political uncertainty; the lack of employment opportunities, especially for our youth; the education of the current workforce to align with current employment requirements; and a high staff turnover. Committee Members expect these challenges to be ongoing for at least the short to mid term.

The Committee noted that projected O & M expenditures reported in the Department's draft 1999-2000 Main Estimates declined by $33,000 or 0.40% from their 1999-2002 Business Plan projections. Projected declines in the Commissioner's Office, Minister's Office and the Public Utilities Board were mostly offset by a $74,000 increase for the Cabinet Secretariat. Overall expenditures for the Department remain essentially flat.

Northern Accord

During the review of the Department's 1999-2002 Business Plan, the Committee discussed the limited ability of the Government of the Northwest Territories to raise revenues. Committee Members agree that increased efforts must be made to retain a more equitable share of the fiscal return from anticipated economic growth, by obtaining a greater share of resource revenues. This would reduce our dependency on federal transfer payments.

Federal Positions

During the Business Plan review, Committee Members also discussed the proposed transfer or devolution of DIAND employees that deal directly with northern issues from Ottawa to the Northwest Territories. Members noted that the relocation would most likely result in staff complements that are more responsive, accountable and sensitive to their northern clientele.

The Department replied that the Department of Indian and Northern Affairs (DIAND) is currently assessing the potential for decentralization. DIAND has retained a consulting firm to look at this issue. Until the consultant's report is completed, there will be few opportunities to move this agenda forward.

Economic Development Strategy

The Economic Development Strategy currently under development is expected to be a key strategy for the Government in 1999 and beyond. However, Committee Members continue to be concerned with the Strategy's costs to completion and other related costs. The Minister has agreed to provide the Committee with details concerning the final cost of the Economic Development Strategy.

Youth Employment

The Committee expressed its concern that current and projected economic growth will not keep pace with the need for new jobs. This is especially evident among our youth. Committee Members agreed that there is a need for a coordinated effort by Departments in the development and implementation of the Northern Employment Strategy and other related youth employment initiatives, such as the 'Better Future for Our Youth' strategy.

Affirmative Action

The Committee in review of the Department's draft Main Estimates expressed concern that affirmative action may be successful at entry and mid level positions, but may be less than satisfactory at the upper echelons. As a result, the Committee requested that the Department provide a quantifiable affirmative action status report for all departments for the last three fiscal years.

Human Resource Management

In the review of the Main Estimates, Committee Members were concerned that the current practice of decentralized Government human resource management may not be as cost effective as the previous centralized human resource management approach. The Department advised that there are cost savings from this decentralized delivery approach; however Committee Members requested further reassurance. The Department agreed to provide results that clearly indicate cost savings from the current adoption of the decentralized approach to Committee Members.

Financial Management Board Secretariat

General

The Financial Management Board Secretariat (FMBS) and the Chairman of the Financial Management Board (FMB) have the mandate for managing and controlling the financial, human and information resources of the Government, and for providing information to the FMB and ensuring that the Government's financial, human and information resources are managed in an effective, efficient and economical manner.

The Standing Committee on Resource Management and Infrastructure reviewed the FMBS Business Plan on November 20, 1998 and the draft 1999-2000 Main Estimates presented by FMBS on March 24, 1999. The Committee noted a $71,000 or 0.38% decrease in total O & M expenditures. Projected decreases in O & M for the Directorate, Labour Relations & Compensation and Budgeting and Evaluation, were partly offset by minor increases in Government Accounting and the Audit Bureau. O & M revenues are projected to increase $63,000 or 1.46%.

Throughout the Committee's reviews, Members were primarily concerned with the incorporation of full cost recovery and a cost plus factor in all service contracts with Nunavut, existing staff housing and potential spin-offs from Aurora Fund loan disbursements. Accountability and the efficient use of resources are an ongoing concern. As a result, the Aurora Fund issue remains at the forefront of Committee concerns.

Aurora Funds

During the reviews of the Business Plans and draft Main Estimates, the Committee expressed its concern regarding the effectiveness of the Aurora immigrant investor funds in delivering direct economic benefits to the northern economy. Committee Members were also concerned that funding based on a balanced and an equitable approach must be directed towards all corporations alike.

The Committee reiterates its request made during the Business Plan review for employment statistics that specifically identify jobs created as the direct result of capital transfers made to territorial companies from the Aurora Funds, and for the final list of Aurora Fund clients and respective loan amounts.

A similar information item was provided by FMBS to the Committee for the preliminary set of monies disbursed by the Aurora Fund, and these requests

were agreed to by the Minister during review of both Business Plans and Main Estimates.

Service Fees to Nunavut Government

The Nunavut Government has contracted and is anticipated to contract additional services from the future NWT Government in the short to medium term. The current rate or 'cost plus' factor charged by the Government to the federal government for a service performed is 6.5%.

During the Business Plan review, the Committee recommended the incorporation of a 'cost plus' factor (or a service fee) in all service agreements with the Nunavut Government. This would be in addition to full recovery costs of services and programs delivered. The Committee requested a copy of the Government-wide template for service and program delivery agreement for work done on behalf of the Nunavut Government. Committee Members were pleased to find that the template incorporated full recovery costs and a cost plus factor as per the Committee's recommendation.

Pay Equity

Committee Members continue to be concerned about the progress of the pay equity issue. Pay Equity represents an unknown risk that may significantly affect the overall fiscal outlook for the Government of the Northwest Territories.

Informatics

Committee Members are concerned about Year 2000 compliance for Government-wide systems, and especially those systems that manage and operate essential services such as power and fire-suppression. Further, Committee Members pointed out that it may be incumbent upon the GNWT to ensure municipalities are Year 2000 compliant. Many municipalities may not have the qualified staff or resources to ensure timely compliance.

The Department assured the Committee that a Government-wide review has been undertaken to ensure the Government's computer systems are Year 2000 compliant.

Staff Housing

During the review of both the Business Plans and the draft Main Estimates, Committee Members expressed concern about the diminishing supply of Government staff housing. Many transient and essential professionals require temporary and affordable housing. The unavailability of staff housing may be a deterrent to the recruitment and retention of essential personnel.

The Committee and the Department agree that the absence or limited availability of staff housing is not the only difficulty in the recruitment and retention of teachers and medical staff. Two other major factors include competing compensation packages in other jurisdictions and the current shortage of teachers and nurses nation-wide.

The Department provided the Committee with an inventory of existing staff housing, including the location of each unit, its condition and occupancy status, as well as a timeline for their renovation, removal or sale. The Department noted in the inventory report that there are 100 staff housing units remaining in the western territory, and a portion will be transferred to their respective communities.

However, during the draft Main Estimates review, the Committee was informed by the Minister that although the ownership of some staff housing have been transferred to their respective communities, the Government remains responsible for their O & M costs. As a result, Committee Members asked the Minister to provide summaries outlining the Government's O & M costs for existing staff housing and the Government's portion of the O & M costs for transferred staff housing.

Human Resource Management

Committee Members noted during the Business Plan review that there should be a coordinated and centralized human resource management initiative to ensure the cost-effective and accurate accounting and allocation of existing and projected positions.

The Committee requested and received a personnel summary report describing each Government position, its description, location, and whether it is filled or vacant, as well as comprehensive information about the People Soft program that is currently being adopted for more effective human resource management within Government.

Department of Finance

General

The Department of Finance and its Minister have the mandate for obtaining the necessary financial resources required to implement the Government of the Northwest Territories' policies and programs, negotiating major financial arrangements with the federal government, regulating the insurance industry and controlling the sale of alcohol products in the Northwest Territories.

The Standing Committee on Resource Management and Infrastructure reviewed the Department of Finance's Business Plan on November 20, 1998. Committee Members noted that the Department's Business Plan reflected federal funding changes that arose from the creation of two new territories. Importantly, variances in projected revenues and expenditures continue to be affected by national and global economic malaise, as metal commodity prices remain depressed. The Northwest Territories economy is resource driven. As such, until commodity prices recover, tax revenues affected by this downward cycle will most likely decline.

The Committee reviewed the Department's draft 1999-2000 Main Estimates on March 24, 1999. Total proposed 1999-2000 O & M expenditures declined by $88,000 or 1.22% from the Business Plan projections. Total O & M revenues also declined slightly by $97,000 or 0.02% for projected net revenues of $630,056,000. The Department of Finance administers the Grant from Canada, territorial taxes and other revenues and accounts for over 85% of the total estimated 1999-2000 revenues of the territorial government.

Committee Members during their review of the draft 1999-2002 Main Estimates were concerned about the future of the gold mines, the economic potential of the diamond industry and the impact of the eventual loss of Nunavut business on the West. Committee Members agree that unless significant sources of revenue are procured or innovative or more efficient management of existing resources is developed, the Government's ability to maintain and deliver programs and services may be severely compromised.

Insurance Premiums

During the review of the Business Plan, Committee Members expressed concern about rising insurance premiums and the very significant increases in the Government's deductible (now $2M)

As a result, the Committee recommended that the Government examine options for increased fire prevention education programs in schools and

initiatives to increase public awareness. The Committee further recommended the adoption of on-site security personnel and the study of other alternatives to prevent and reduce losses due to fire and criminal activity.

In accordance with the Committee's recommendations, the Government has established an inter-departmental Facilities Risk Committee, chaired by the Department of Finance. The objective of the Committee is to identify and implement practical loss prevention strategies (such as on-site security personnel) and procedures to protect Government assets from loss at a reasonable cost.

Alternative Sources of Revenue

During the review of the Department's draft Main Estimates, the Committee noted that the Government would no longer be bound by the *Deficit Elimination Act* after the 1998-1999 fiscal year.
The Government by its own projections is expected to be in a significant deficit situation in the next (2000-2001) fiscal year. Without the infusion of the accumulated surplus, the Government would have been in a deficit situation for the 1999-2000 fiscal year.

Further, as commodity prices (such as oil and gold) continue to decline, taxation revenues from mining concerns may be severely compromised or eliminated altogether.

Committee Members concluded that unless innovative means of income are found quickly, the Government's ability to deliver and provide programs at satisfactory levels may no longer be possible.

> *The Committee recommends that timely efforts be made to identify and evaluate alternative sources of revenue.*

Nunavut Service Contracts

Committee Members noted during both reviews that revenue from services performed for the Nunavut Government represents a significant portion of the Government's overall income. This income may be an important contribution to the Government's current level of program and service delivery.

The Committee would like to receive a summary of Nunavut contracts to date and their respective contract values.

Department of Public Works and Services

General

The mandate of the Department of Public Works and Services is to design, construct, acquire, operate and maintain buildings, works and equipment and implement energy efficient projects in buildings and works required for the Government to deliver its programs and services, provide a system of specialist services that enhance the efficiency of Government departments and make essential petroleum products available for sale to the public where these are not provided by the private sector.

The Standing Committee on Resource Management and Infrastructure reviewed the Department's 1999-2002 Business Plan on November 24, 1998 and the Department's Draft 1999-2000 Main Estimates on March 21, 1999.

Committee concerns during review of the Department's Business Plan centred on the Government's contract awarding process, competition with the private sector (proposed retention of the Laing Building), Year 2000 (Y2K) compliance and Nunavut service contracts (incorporation of full cost recovery and a cost plus in all contracts). These issues continued to concern Committee Members during their review of the Department's draft Main Estimates.

The draft 1999-2000 Main Estimates showed proposed declines in most programs and activities in comparison to the 1999-2000 Business Plan projections with the exception of a $5,000 increase in funding for Systems and Communications. Capital expenditures remain essentially flat with a projected $7,000 or a 0.48% decrease from Business Plan.

Committee Members noted during the review of the Department's draft Main Estimates that a significant portion of the Department's overall revenues is the result of computer chargeback services to Nunavut. This $2,200,000 in projected revenue represents a major portion (or 59.77%) of the Department's projected revenues of $3,681,000. Eventually, the Government of Nunavut will be able to service its own computer needs.

Awarded Contracts

Committee Members expressed concern during the Business Plan review that some contracts were awarded to southern contractors over equally qualified Northern contractors. As a result, the Committee recommended that clear-cut explanations be given to unsuccessful bidders, and as with the federal government, GNWT officials should be made available to bidders for further

discussion. A description of this process and related items were provided to the Committee prior to the review of the Main Estimates.

However in the Business Plan review exercise, Members were also concerned about the number of contracts that were awarded under the different awarding processes. The Committee looked forward to receiving a summary report that details the number and amount of contracts that were awarded as the result of a Tender, Request for Proposal (RFP), Sole Source, or Negotiated award process in the past year. This item was addressed prior to review of Main Estimates.

In an effort to bring a greater degree of clarity to the contracting issue Committee Members request a briefing on contracting methodology used by this Department and other departments.

Competition with the Private Sector

The Committee noted that the Government is already competing or is proposing to compete with the private sector in areas of petroleum products (ongoing) and real estate development (ongoing and anticipated to escalate).

Members pointed out the Laing Building, originally scheduled for sale or demolition, will be now be renovated and retained by the Government for its own offices. This is likely to contribute to the over-supply of office space in Yellowknife. The Committee looks forward to receiving a confidential briefing by the Minister that will answer the Members' concerns regarding the Laing Building and the Yellowknife Office Space Plan.

Conflict of Interest Guidelines

The Committee noted during its review of the Department's Business Plan that many employees are not covered under the current Conflict of Interest Guideline. The current guideline only applies to high level employees.

The Committee requested further information about conflict of interest guidelines for all employees. This concern arose from the Inuvik arena project where a non-management PWS employee resigned from the arena project management committee (comprised of municipal, MACA and PWS personnel) to take a managerial position with the consulting firm for the project. The Department has addressed the Inuvik arena project issue and suggested that general conflict of interest concerns may be more appropriately redirected to the Financial Management Board Secretariat.

Y2K Compliance

The Committee expressed its concern that Y2K compliance may entail unforeseen consequences despite the ongoing efforts by the Government to minimize its effects. Further, Committee Members noted that technical personnel should be available during the changeover period to rectify any unanticipated events.

The Department replied that there would be staff on standby during the changeover period.

Nunavut Service Contracts

Committee Members were concerned whether full cost recovery plus the standard service fee of 6.5% has been and will continue to be incorporated into each Nunavut contract. Further, the Committee was concerned about the lengths of the contracts and potential layoffs due to the completion of Nunavut contracts.

The Department has advised that cost recovery plus a standard service fee of 6.5% is incorporated into each Nunavut contract, and the contracts range from six months to two years. As well, there will be no layoffs due the completion of Nunavut contracts and any staff reductions will be the result of natural attrition.

Ministry of Aboriginal Affairs

General

The mandate of the Ministry is to protect, develop and promote the interests of the territorial government and the residents of the Northwest Territories in the negotiation and implementation of land claims, self-government and treaty entitlement agreements and in the political and constitutional development of the western Northwest Territories, and to develop and maintain mutually beneficial working relations with the Aboriginal leadership.

The Standing Committee on Resource Management and Infrastructure met on November 24, 1998 to review the Ministry of Aboriginal Affairs' 1999-2002 Business Plan. Committee Members reviewed the Ministry's Draft 1999-2000 Main Estimates on March 25, 1999.

During both reviews, the Committee noted that the creation of two new territories, issues of western governance, ongoing land claims negotiations, self-government and major demographic shifts have contributed and will likely to continue to press the operating parameters of the Ministry.

The Committee noted during their review of the Ministry's draft 1999-2000 Main Estimate a $53,000 or a 1.41% projected decrease in O & M expenditures for the Ministry from its 1999-2002 Business Plan.

Committee Members concluded that the Ministry's projected decline in expenditures would likely negatively affect to the Government's ongoing attempts to incorporate the interests of stakeholders and residents in the ongoing and complex aboriginal and territorial political process.

Representation: A Balanced Approach

The Committee expressed concern during review of the Business Plan that the Government's approach to the resolution of land claim, treaty entitlement, and self-government issues may not be fully balanced, ensuring representation for all residents of the Northwest Territories.

Committee Members agreed that it is essential that a strong central government be espoused at all negotiation tables.

Operational Audit

The Committee in its review of the Minister's Opening Remarks from the review of Business Plans noted that an Operational Audit was recently performed on the Ministry. The Committee looks forward to receiving a briefing of the Operational Audit that was recently performed on the Ministry, subject to Cabinet protocols concerning the release of selected documents.

Status of Claims

Committee Members continue to be concerned regarding the status of land claims in the Northwest Territories. During discussions with the Minister, Members requested an update of the progress on each claim to date.

Department of Municipal and Community Affairs

General

The Department of Municipal and Community Affairs assists community residents to organize and manage representative, responsible and accountable community government. The Department is a services support provider.

During the Standing Committee on Resource Management and Infrastructure's review of the Business Plan on November 26, 1998 and the draft Main Estimates on March 20, 1999, Committee Members noted the importance of specific socio-economic factors that have affected the overall direction and management of the Department. These socio-economic factors are expected to continue exerting pressures on the Department's ability to deliver adequate levels of programs and services. Ongoing factors include a high birth rate, urbanization, increased expectations arising from urbanization, political uncertainty, increasing unemployment and low education levels. This may lead to increasing demands on infrastructure and existing programs and delivery.

In their review of the Department's draft Main Estimates, Committee Members concluded that unless the Department receives significant infusions of revenue or initiates innovative and cost-effective ways of doing business, the Department's ability to deliver satisfactory levels of programs and services may become increasingly difficult.

The Department projected decreases in Emergency Services ($515,000) and Community Development ($751,000) from the Business Plan. However, these decreases are more than offset by projected funding necessary for the establishment of a School of Community Government, chaired and administered by the Department ($931,000).

Availability of Qualified Staff

During the review of the Business Plan, Committee Members discussed the shortage of qualified staff in smaller communities. This shortage contributes to an inability to deliver an acceptable level of programs and services.

In the draft Main Estimates, the Department proposed the establishment of a School of Community Government to rectify the continuing shortage of qualified community staff. However, Committee Members noted that staff should be qualified for their positions prior to the their hire.

The Committee acknowledges that training of additional personnel to aid understaffed communities is required. But this training effort may be better developed, coordinated and implemented through the Department of Education, Culture and Employment, and Aurora College. The Department's training proposal in its current form may not result in value for money.

Availability of Adequate Funding

The Committee has always expressed concern whether the Department can continue to manage and deliver a consistent and acceptable level of services and programs to its clientele at existing and proposed funding levels.

Committee Members noted that proportionately more funding is allocated towards social programs such as income support, when the best form of social assistance is a job.

During the review of the draft Main Estimates, Committee Members reiterated their unease that $400M is required over the next 20 years to merely maintain current facilities as they are. Committee Members further added that this optimistic estimation by the Department is exclusive of any consideration for ongoing expenditure pressures.

The Committee requested a briefing on capital requirements for the Department and other Departments priorized by need, and a briefing on the formula used by the Department to identify and categorize priority projects.

Territorial Emergency Response Committee and Year 2000 Compliance

The Department informed Committee Members that the Response Committee is chaired by MACA, and also comprises the RCMP, Canadian Armed Forces, NWTPC, NWTAM and Industry Canada.

With the advent of larger facilities and increased infrastructure in more communities, Committee Members note that existing fire-fighting capacity in many communities might no longer be able to effectively meet the increased requirements.

Furthermore, Committee Members are concerned that Year 2000 compliance may not be fully implemented with a comfortable time allowance for unexpected developments. The Committee is especially concerned about the Y2K compliance of computer and other technical infrastructure in the smaller communities where qualified technical personnel are either limited or unavailable.

Organizational Charts

The Committee commended the Department for the reporting methodology used in its Business Plan organizational charts. The methodology includes names and positions within each tier and section of the charts.

The Committee recommends that the Department's organizational charts reporting methodology be made the standard for all other Government departments and agencies in future Business Plans and appropriate documentation.

Current Water Allocation Levels

Committee Members noted during Business Plan discussions that the current allocations of water per capita in most communities might not be adequate for average use. The Minister replied that she will be meeting with the mayors in early December, and will be discussing this concern among others and will report back to the Committee.

The Deputy Minister reported during the Main Estimates review that the current water delivery and allocation criteria adheres to national standards of water use and that current standards for trucked water on a per capita basis in the communities exceed standards set for Yellowknife.

Tuktoyaktuk: Shoreline Erosion

As the result of visiting Tuktoyaktuk in the fall of last year, Committee Members became aware, first-hand, of the shoreline erosion problem in the community. Committee Members were concerned that the current O & M funding only provides a temporary solution to the problem. A more permanent solution such as a breakwater should be seriously considered and implemented as soon as possible.

The review of the Business Plan afforded the opportunity for Committee Members to discuss the shoreline erosion problem with the Department. The Committee looks forward to receiving further funding and project information from the Department detailing funding for an effective solution to the shoreline erosion problem in Tuktoyaktuk.

Department of Transportation

General

The mandate of the Department is to provide safe, accessible and reliable movement of people and goods to serve the social, economic and political needs and aspirations of the people of the Northwest Territories.

The Standing Committee on Resource Management and Infrastructure reviewed the 1999-2002 Business Plans for the Department of Transportation on November 25, 1998. The Committee notes the Department's emphasis on making a smooth transition to the new Western Territory. Aside from division activities, the Department continues to emphasize the limited financial resources for capital programs to improve the transportation system.

The Committee notes an overall decrease of $399,000 in the draft 1999-2000 Main Estimates presented on March 21, 1999 from the figures presented in the 1999/2002 Department Business Plans.

S2M Highway Strategy

During the Committee's review of the Department's Business Plan, the Department discussed the S2M Highway Strategy, which was implemented during the 1998-99 fiscal year in conjunction with the Government's broader strategy for economic development. The Highway Strategy is intended to promote a more stable financial future for the Department.

The S2M Highway Strategy studies four projects; the deciding factor for further progress will be which roads are important to foster NWT economic development. Committee Members believe that the Slave Geologic Province transportation corridor would be more economically viable from the standpoint of the highway running from a southern point (Rae/YK) to a northern point (Bathurst Inlet) rather than vice versa. The Department commented that Western Canada would agree with the Committee's suggested route as being economically viable and will lobby on behalf of this effort.

In the view of the majority of the Committee Members, it is important that the Department lobby at a territorial and national level for support on the completion of the Highway 3, as this could offset budget increases to the social envelope and decrease the number of accidents that occur on this highway. It should be noted that a Member of the Committee does not completely agree.

The Committee recommends that the Department give priority to the acceleration of Highway 3.

Highways

A highway system connecting/linking all communities should be made a western territory priority. The Committee notes this department has seen a significant decrease in its overall budget during the life of this government.

Committee Members also expressed their concern with respect to industry providing their own transportation infrastructure. The Committee believes that the Government should encourage and support industry in building its own infrastructure rather than allowing all costs to be borne by the general public. For example, the Government should encourage mining companies to build their own all-weather roads and contribute to the improvement of the main highway system rather than the Government bearing all of the costs. A Committee Member suggests that the Department consider the feasibility of implementing toll charges.

Highway 4

Committee Members note the allocation of $550,000 for Highway 4 for 1999/2000 is substantial and would like to see this amount decreased and put into the main highway system. A Committee Member expressed concern that this highway is more of a community access road. The Member would like to see the Government encourage private sector investment in this highway as it provides access to the mineral-rich areas.

Affirmative Action

During the Business Plan review, the Department's 1998/99 mid-year results report stated that the target is to maintain northern employment for highway construction and maintenance contracts at 90% or greater. The Committee was not clear on the percentage of these northern employees that fall under the affirmative action policy.

While reviewing the draft Main Estimates, the Committee expressed concern in relation to the number of aboriginal people employed by contractors. There is no tracking system to monitor the number of aboriginal employees in contracted jobs and the Committee suggests the Department explore using the NWT healthcare card as one way to monitor the number.

The Committee recognizes the Department's efforts by developing the Career Development Program as one way to increase the percentage of northern employment for highway construction and maintenance contracts. However, Members remain concerned that contractors may employ a number of workers from the south, and have requested additional personnel information on these employees.

Emergency Services

Committee Members note there is no Emergency Services provided to the Inuvik airport. Members would like the specifics on the measures that would be taken if an accident were to take place.

Contracts

Committee Members expressed concern about the process of awarding contracts and the steps taken to ensure transparency is in place. A Member suggested a review of the process of awarding contracts.

Safety Programs

A Committee Member was concerned about the number of accidental drownings as a result of boat accidents over the past few years in the Beaufort Delta and would like to see transportation safety programs offered in regions other than the North Slave region.

Department of Resources, Wildlife and Economic Development

General

The mandate of the Department of Resources, Wildlife and Economic Development is to promote economic self-sufficiency through the sustainable development of natural resources and to enhance the creation of sustainable opportunities in the traditional and wage economies.

The Standing Committee on Resource Management and Infrastructure reviewed the 1999-2002 Business Plan for the Department of Transportation on November 20, 1998. The Department identified challenges and possible solutions such as

promoting long-term employment and economic development opportunities by targeting public and private sector investment in the northern economy.

Secondly, the Department noted the migration of skills from smaller to larger communities as another challenge and added that it will support the strengths of both large and small communities by administering flexibility in the distribution of grants and contributions to the regions.

Thirdly, the Department discussed the uncertain regulatory structure in the western territory. The Committee has identified this as a concern throughout its term and has strongly supported the devolution of provincial like powers to the Government of the Northwest Territories and Aboriginal governments.

Further challenges identified by the Department are the development of standards for sustainable development and environment protection, and reduced resources.

The Committee reviewed the 1999/2000 Main Estimates presented by the Department of Resources, Wildlife & Economic Development on March 20, 1999. The Committee noted an overall decrease of $976,000 from the figures presented in the 1999/2000 Departmental Business Plan. The Department focused on each major program area with the goals set out in the Business Plan as a framework.

Northern Accord

The Northern Accord is an economic agreement that will allow the Government of the Northwest Territories and, pending future agreements between aboriginal groups and Canada, Aboriginal claimant groups and future aboriginal governments the ability to raise revenues from oil, gas and mineral development.

However, due to uncertainties surrounding self government, unsettled land claims and unresolved aboriginal and treaty rights, the Government of the Northwest Territories has been unable to table a GNWT Northern Accord proposal.

The Committee Members would like this Government to resurrect and priorize this proposal before the new millenium. Members note that the uncertainties listed above have clouded previous negotiations and suggest that the Government examine developments in other jurisdictions, such as the Yukon, and the experience of First Nations governments that have procured oil and gas rights.

The Government of the Northwest Territories has been seeking the transfer of provincial type powers for land, water and non-renewable resources from the federal government since the mid 1980s. During the Business Plan review, the Committee expressed concern over the unresponsive role of the GNWT in promoting the fiscal benefits from resource development in the north to their federal counterparts.

The Department provided updated briefings on the status of the Northern Accord during the Draft Main Estimate Review and the Committee Members expressed concern about the Northern Accord issue remaining stagnant. The Department noted that until there is an agreement in place with the Aboriginal organizations, there will be no movement on this initiative.

> The Committee recommends that the Government of the Northwest Territories resurrect and priorize the Northern Accord proposal before the new millenium.

Liard/Alaska Highway Junction Development

Following the Business Plan review, the Committee recommended that the Liard/Alaska Highway Junction development project for the year 2000/01 be removed from the 1999/2002 Business Plans. Members felt that this capital could be better spent in areas such as the completion of Highway 3. The Department agreed with this recommendation and the item has been removed from the Main Estimates.

Business Credit Corporation and NWT Development Corporation

During the Business Plan Review, Members had requested background information on the current status of the Business Credit Corporation and also the number of people who have received loans within the last two fiscal years. The Committee is concerned that the BCC may be providing certain regions in the Western territory with more funding than others and would like to ensure fairness and equality is being practiced.

Members had asked repeatedly for a briefing on the status of each of these corporations. In January 1999 the Department held a workshop for Committee Members to get feedback from the Committee on the general direction to operate these corporations after Division. The Committee appreciates the efforts of the Minister and his officials, and the opportunity to provide input.

During this workshop, the Committee questioned when the Auditor General's Report for the last two fiscal years for the NWT Development Corporation will be

made available to the public. The Department gave no specific timeline, suggesting that it would be approximately May or June 1999 before a final report is completed.

During the draft Main Estimates Review, the Department noted that the NWT Development Corporation has not completed their corporate business plan. Therefore, once the consultant they hired to examine the NWT Development Corporation's financial situation completes his work, the budget allocation of $4.1 million may be changed. Members assume that any changes will be reflected in the final Main Estimates.

Committee Members would also like a copy of the consultant's report once completed, and a meeting with the consultant for a more detailed analysis of the NWT Development Corporation.

Forest Management

The Forest Management Division comprises the largest allocation of Departmental O&M funding with a budget allocation of $28.3 million. The Committee asked the Department to provide a specific breakdown of how these funds are allocated in each of the four program areas.

Committee Members would also like a specific breakdown of the proposed budget allocation of $16.7 million for O&M under the Program Management area in Forest Management.

Work done on Behalf of Others

Committee Members noted concern about two agreements under the details of Work done on Behalf of Others. Committee Members would like to see copies of the contracts of services provided to Nunavut by the Department and a cost breakdown of the $2.8 million allocation for Inuvialuit Participation Costs. Members have also requested a breakdown of funding provided by the federal government for implementation of land claim agreements with detail as to how this allocation is spent.

Canada/NWT Economic Development Agreement (EDA)

During the Business Plan review, the Department discussed the proposed implementation of the new economic development agreement that will coincide with the sunsetting of the Northern Employment Strategy. According to the

Department, the new EDA can therefore be carried out within the Department with a minimum of additional resources.

There have been delays in talks between the federal and territorial government regarding the program proposal the GNWT put forward for the negotiation of a new economic development agreement. Committee Members feel this delay is due, for the most part, to the work on the Economic Development Strategy. Members note the Department stated that talks with their federal counterparts regarding the EDA were put on hold until the Economic Development Strategy was completed. However, the Committee understands that talks have resumed with the federal government.

Following the review of the Business Plans, the Committee reported concerns regarding the Economic Development Strategy to the Department. The work to develop economic strategies for the new western territory had been placed under the direction of Cabinet, and Members were concerned that it should have been under the direction of this Department. Since the Business Plan review, responsibility for the Strategy has been transferred to the Department of Resources, Wildlife and Economic Development.

The draft Economic Development Strategy Report was to be completed by early fall and has been delayed until later in the spring of 1999. Members feel this strategy may have been more appropriately handled if it had been under the direction of this Department from conception. The Committee feels that this Government has a history of promoting many economic strategies and studies outside the Department of Resources, Wildlife and Economic Development. In the Committee's view, the funding for these strategies could be better administered using existing manpower and resources within the Department.

Standing Committee on Government Operations
Report on the 1999-2002 Business Plan and the 1999/2000 Main Estimates for the Legislative Assembly

General

The activity structure of the Legislative Assembly establishes the accountability framework for the Office of the Legislative Assembly. The program delivered by the Office of the Legislative Assembly is divided into five ongoing activities: Office of the Speaker, Office of the Clerk, expenditures on behalf of Members, Office of the Chief Electoral Officer and Commissioner of Official Languages. The Access to Information and Protection of Privacy Commissioner and Conflict of Interest Commissioner are included in the Office of the Clerk.

Number of Members in the 14th Assembly

At the time the 1999-2002 Business Plans and the 1999-2000 Main Estimates for the Legislative Assembly were being developed, the number of Members in the 14th Assembly was undetermined. The Business Plan utilised a 17 Member Assembly for its projections and the Main Estimates were developed on the basis of a 14 seat Assembly. With the formation of two new territories, there will be a reduction in the overall O & M. The amount of this decrease is difficult to forecast, as the number of seats in the Assembly has not been finalised.

Conflict of Interest Inquiry

The recent Conflict of Interest Inquiry has been concluded. All parties had until December 15, 1998 to submit their invoices. The financial details of the Conflict of Interest Inquiry have been covered in Supplementary Appropriation No. 5, 1998-99.

Informatics

A review of the Legislative Assembly in regard to year 2000 compliance has been completed. The review concluded that neither performance nor functionality would be affected by dates before during and after the year 2000. The review further indicated that the telephone system must be replaced, the cost of which is $56,000. Recabling will result in one outlet handling all electronic

linkages and allow for videoconferencing. The total funding for this project is $230,000 which will be spent over the years 1998/1999 and 1999/2000.

Human Resource Planning

The Assembly is following the Government policy of no more layoffs until further notice. It is difficult to predict precise staffing requirements as the number of Members in the Assembly has not been finalised. The eventual Committee structure and the workload of Members are also undetermined. This may result in either an increase or a decrease in the number of staff.

In the review of the Main Estimates Committee Members requested that the Legislative Assembly try to hire aboriginal individuals to fill summer student positions.

Performance Measurement

Members noted that there was a lack of measurable indicators in the presentation of the Business Plans. In order to have a fair and consistent evaluation there must be discernible performance measures for Assembly goals and strategies. Without these measurements, it may be difficult for future Assemblies to evaluate progress.

However, staff noted that it is difficult to establish measures as the political landscape changes frequently and the Legislative Assembly must be flexible to accommodate this.

Art Policy

During the review of the Main Estimates the Members were informed that the Speaker has plans for an Arts Policy to be developed for the Legislative Assembly. This would enable outstanding works of art from the new Northwest Territories to be exhibited in the building. The Committee expressed support for the policy but suggested cultural activities, such as drumming, should also be included.

Youth/Elders Parliament

A Youth Parliament Program has been started at the Legislative Assembly. The first program, with Yellowknife students will be held in April. The second

program, with students from throughout the Northwest Territories will be held in May.

The staff are also working on an Elders Parliament. This will be the first program of its kind in Canada.

Video Conferencing

Not included in the Main Estimates are amounts for the purchase of video conferencing units. The Assembly will be requesting money to purchase one portable and one stationary unit. This initiative will be a joint venture with the Departments of Resources, Wildlife and Economic Development, Health and Social Services, and the Financial Management Board Secretariat. The stationary unit will be located in the Assembly building.

Review of the Official Languages Act

The *Official Languages Act* of the Northwest Territories has provisions for mandatory reviews every ten years. According to the Act, the Legislative Assembly or a committee designated or established by the Legislative Assembly "shall review the provisions and operation of the *Official Languages Act*". This review is to be done at the next session following December 31, 2000.

The Languages Commissioner's Business Plans and Main Estimates

Presently the Languages Commissioner presents her Business Plans and Main Estimates directly to the Committee. The budget for this office falls under that of the Speaker. The Committee questions the rationale as to why the Languages Commissioner presents her Business Plans and Main Estimates to the Committee and not to the Speaker. The Committee felt that this protocol should be reviewed in the near future

(Page left intentionally blank)

Standing Committee on Government Operations
Report on the 1999-2002 Business Plan
and the 1999/2000 Main Estimates
for the Office of the Languages Commissioner

The mandate of the Languages Commissioner is to ensure the recognition of the rights, status and privileges of each of the Official Languages. The Languages Commissioner ensures compliance with the spirit and intent of the *Official Languages Act* in the administration of government institutions, including any of their activities relating to the advancement of the aboriginal languages in the Territories. The Commissioner of the Northwest Territories, under the *Official Languages Act*, appoints the Languages Commissioner. The four term of the current Languages Commissioner will end on May 31, 2000.

The preservation, promotion and development of aboriginal languages in the Northwest Territories are fundamental to the retention of aboriginal cultures. The Committee noted that there are a number of northern aboriginal languages that are on the verge of extinction and felt that the Government must assume a more proactive approach. With the dissolution of the Language Bureau, there has been a lack of organisation and direction in the promotion, development and preservation of aboriginal languages. The Committee Members noted that the disbanding of this unit may have been premature and it may be necessary to revive it.

Lack of Consultation between Stakeholders

The Committee expressed discontent with the lack of consultation between language communities, Language Services of the Department of Education, Culture and Employment and the Languages Commissioner's Office. This lack of consultation leads to the inefficient use of funds, duplication of roles and the absence of a cohesive approach for aboriginal languages.

The Languages Commissioner presented three initiatives in her 1999/2000 Business Plan. The first initiative was the development of a media strategy to link communities with the Office of the Languages Commissioner. The second initiative was to host a languages conference to prepare for the upcoming review of the *Official Languages Act*. The third initiative was to establish an advisory council to the Office of the Languages Commissioner. In her presentation to the Committee during the review of the Main Estimates, the Languages Commissioner reported that she has dropped the first initiative from her agenda but wishes to proceed with the remaining two. Further, in the

review of the Main Estimates, the Languages Commissioner readjusted the cost estimates for the conference from $95,000 to $250,000.

The Committee acknowledges the value of the remaining two initiatives, however further planning, intragovernmental consultations and a more realistic budget must be developed to ensure the success of these initiatives.

> *The Committee recommends that the Languages Commissioner and Language Services Unit of the Department of Education, Culture and Employment meet to collaborate and coordinate efforts in the development of an aboriginal languages advisory council and a conference to prepare for the review of the Northwest Territories Official Languages Act. The meeting should occur without delay, and a progress report should be presented to the Committee.*

Financial Planning

Committee Members noted incongruencies between expenditures and budget allocations of the Office of the Languages Commissioner. The Committee acknowledges that financial reporting guidelines are sometimes difficult to fulfill without qualified staff and suggests that the Commissioner better utilize the financial services supplied by the Legislative Assembly. The Committee requested the Languages Commissioner to re-examine and further substantiate her office's proposed budget.

Review of the Northwest Territories Official Languages Act

Presently, the Department of Executive is responsible for the *Official Languages Act*. Under these auspices, a Minister of the Executive Council is assigned the responsibility for overseeing the Act.

However, the budget of the Languages Commissioner is allocated through the Legislative Assembly. Further, the Legislative Assembly is responsible for the review of the Act after December 31, 2000.

Currently, one department (Executive) oversees the Act. Another department (Legislative Assembly) is responsible for the delivery of support services to the Office. A third department, the Department of Education, Culture and Employment is responsible for the promotion of official languages and the implementation of language programs. The Minister of Education, Culture and Employment, in the role as a Member of the Executive Council, has been assigned the responsibility of overseeing the Act. As a result, responsibilities are blurred.

One of the responsibilities of the office of the Languages Commissioner is to ensure compliance of government with the spirit and intent of the Act, including any activities relating to the advancement of the aboriginal languages in the Territories. This means that the Minister of Education, Culture and Employment, in his role as Minister responsible for Official Languages, is also responsible for ensuring that his department complies with the spirit of the Act.

> *The Northwest Territories Official Languages Act is due to be reviewed in the first session after December 31, 2000. As part of the review, the Committee recommends that the role and mandate of the Languages Commissioner be examined and that the relationships between the Languages Commissioner and the various Government departments be clarified.*